

# **SERVICE MANAGER ADMINISTRATION AGREEMENT**

## **2016 Social Infrastructure Fund**

This Agreement made the 16<sup>th</sup> day of August, 2016.

**BETWEEN:**

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO**

**AS REPRESENTED BY**

**THE MINISTER OF HOUSING**

(hereinafter called the "Minister")

- and -

**THE CORPORATION OF THE COUNTY OF GREY**

(hereinafter called the "Service Manager")

### **RECITALS:**

- A. Canada Mortgage and Housing Corporation ("CMHC") and Her Majesty the Queen in Right of Ontario, as represented by the Minister of Municipal Affairs and Housing ("MMAH"), entered into a bi-lateral agreement to provide for the Investment in Affordable Housing program from 2011-2014, effective April 1, 2011 (the "CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014").
- B. CMHC and MMAH entered into a Supplementary Agreement No. 1, dated August 11, 2014, ("the Supplementary Agreement").
- C. The Supplementary Agreement amended the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014 by extending the funding available for Affordable Housing.
- D. CMHC and MMAH entered into the 2016 Social Infrastructure Fund Agreement under the Agreement for Investment in Affordable Housing, made as of April 1, 2016.
- E. Whereas the Minister is now responsible for the above agreements signed by MMAH.

- F. The Minister has established a revised Rental Housing Component, a revised Homeownership Component, a revised Ontario Renovates Component, a revised Operating Component (the "2016 SIF IAH Components"), and a new Social Housing Improvement Program Component ("SHIP Component"), pursuant to which the Minister will provide the CMHC funding and provincial funding for the 2016 Social Infrastructure Fund ("2016 SIF").
- G. The Minister and the Service Manager have entered into this Agreement for the purpose of establishing the Service Manager's obligations with respect to the administration of the 2016 SIF IAH Components and the SHIP Component and the Minister's obligation to provide funding to the Service Manager for the administrative costs of participating in the 2016 SIF IAH and SHIP Components.

NOW THEREFORE, the Minister and the Service Manager agree with each other as follows:

## 1. INTERPRETATION

1.1 In this Agreement, unless the context requires otherwise, the following terms have the meanings set out in this Section:

- **"2016 SIF Components"** includes the 2016 SIF IAH Components and the SHIP Component;
- **"2016 SIF IAH Components"** has the meaning given to it in the recitals and does not include the SHIP Component;
- **"Administration Fee"** means the amount paid by the Minister to offset the Service Manager's cost of performing tasks under this Agreement;
- **"Affordability Period"** means the period during which a Project is required to be affordable, as determined in accordance with the Program Guidelines or as otherwise established by the Minister;
- **"Business Day"** means each Monday, Tuesday, Wednesday, Thursday and Friday except when any such day occurs on a statutory holiday observed in Ontario;
- **"CMHC"** has the meaning given to it in the recitals;
- **"CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014"** has the meaning given to it in the recitals;
- **"Funding"** means funding provided under a Program, as set out in the Program Guidelines;
- **"GOS"** means the Grants Ontario System;

- **“Ministry Notification”** means a notice in writing from the Minister to a Service Manager regarding a 2016 SIF IAH or SHIP Component;
- **“Parties”** means the Minister and the Service Manager and **“Party”** means either of them, as the context may require;
- **“Program”** means any of the 2016 SIF IAH or SHIP Components;
- **“Program Delivery and Fiscal Plan”** means the plan developed by the Service Manager that sets out how the Service Manager will use the funding allocations, attached to this Agreement as Schedule G, which plan is also referred to as **“PDFP”**;
- **“Program Guidelines”** means the guidelines attached to this Agreement as Schedule J, as amended by the Minister from time to time;
- **“Project”** means affordable housing proposed or approved for a Program;
- **“Proponent”** means a person or other legal entity that has submitted a proposal;
- **“SHIP Component”** has the meaning given to it in the recitals;
- **“Year 1”** means the period from the date of this Agreement to March 31, 2017;
- **“Year 2”** means the period from April 1, 2017 to March 31, 2018;
- **“2016 Social Infrastructure Fund Agreement under the Agreement for Investment in Affordable Housing”** has the meaning given to it in the recitals.

1.2 The following Schedules are attached to and form part of this Agreement:

- Schedule A - Rental Housing Component
- Schedule B - Homeownership Component
- Schedule C - Ontario Renovates Component
- Schedule D - Operating Component
- Schedule E - Social Housing Improvement Program Component
- Schedule F - Communications Protocol Requirements
- Schedule G - Program Delivery and Fiscal Plan
- Schedule H - French Language Services Report
- Schedule I - Annual Apprentice Report
- Schedule J - Program Guidelines

- 1.3 In the event of a conflict or inconsistency between the provisions of this Agreement and the provisions of a Schedule, the provisions of this Agreement shall prevail.
- 1.4 In the event of a conflict or inconsistency between the Schedules dealing with the 2016 SIF Components, being Schedules A to E of this Agreement, and the Schedule containing the Program Guidelines, being Schedule J of this Agreement, the Schedules dealing with the 2016 SF Components shall prevail.
- 1.5 All references in this Agreement to section numbers are references to sections of this Agreement unless stated otherwise.

## **2. COMPLIANCE WITH SCHEDULES**

- 2.1 The Parties agree to comply with and abide by the terms and conditions set out in those Schedules to this Agreement relevant to the Programs in which the Service Manager participates. The Service Manager agrees to administer such Programs in accordance with those Schedules.

## **3. REPORTING REQUIREMENTS**

- 3.1 The Service Manager agrees to comply with the reporting requirements set out in those Schedules relevant to the Programs in which the Service Manager participates.

## **4. USE OF FUNDING**

- 4.1 The Minister shall make a notional allocation of Funding to each Service Manager. Each Service Manager's notional allocation shall be broken down by fiscal year. Funding shall be committed as set out in the Program Guidelines and cannot be re-allocated between fiscal years. The Minister may re-allocate Funding that has not been committed as set out in the Program Guidelines.
- 4.2 The Minister will advance Funding to Service Managers as set out in the Program Guidelines. For the Ontario Renovates Component, the Minister will advance Funding only up to March 31, 2018. For the SHIP Component, the Minister will advance Funding only up to March 31, 2019. For the Rental Component and the Homeownership Component, the Minister will advance Funding only up to March 31, 2020. For the Operating Component, the Minister will advance Funding only up to March 31, 2024. Funding will not be advanced by the Minister to Service Managers after the above dates.
- 4.3 All Funding shall be disbursed to Projects and recipients no later than two (2) years following the date of commitment.
- 4.4 Except for the SHIP Component, Service Managers are required to target 2016 SIF Funding to the provincial priorities outlined in the Program Guidelines. The Minister retains the right to reallocate Funds if the Minister is not satisfied that a



Service Manager is able to demonstrate their ability to substantially meet the provincial priorities.

- 4.5 Except for the SHIP Component, Service Managers are required to report to the Minister on the activities used to promote or support apprenticeships in Projects, the number of Projects employing apprentices, the number of apprentices employed through these Projects, and the type of trade in which the apprentices are training.
- 4.6 Except for the SHIP Component, Funding shall not be used:
- a) in respect of housing for which there was on October 1, 2010, or is at the time of commitment under this agreement, an arrangement directly with CMHC relating to financing, operation or occupancy; nor
  - b) in respect of housing that was on October 1, 2010, or is at the time of commitment under this agreement, subject to any arrangements under any agreement between CMHC and the Government of Ontario.

The above exclusions do not apply, where due to the passage of time, without intervention, the housing is no longer within subsection a) nor subsection b).

- 4.7 Notwithstanding section 4.6, for the Ontario Renovates Component, Funding may be approved for a Unit where that Unit is already under an existing renovation program arrangement, provided that:
- (a) the Unit is not also subject to any other arrangement under section 4.6;
  - (b) the Funding addresses a need or condition or work which has not been the subject of the previous renovation program assistance;
  - (c) the provision of additional Funding has no impact on the existing renovation program arrangement; and
  - (d) all other requirements of the Agreement are satisfied.

## **5. PROGRAM DELIVERY AND FISCAL PLAN**

- 5.1 The Service Manager shall develop and submit to the Minister a Program Delivery and Fiscal Plan ("PDFP") for the Rental Housing Component, Homeownership Component, Ontario Renovates Component, the Operating Component, and the SHIP Component, in accordance with the template attached as Schedule G.
- 5.2 The Program Delivery and Fiscal Plan shall be approved by the Municipal Council, District Social Services Administration Board, or delegated authority for the Service Manager.

5.3 The Program Delivery and Fiscal Plan shall contain the following information:

- The 2016 SIF IAH Components that the Service Manager will deliver in each year of the Program;
- The number of units that are expected to be developed and/or the number of households that are expected to be assisted under the selected 2016 SIF IAH Components in each year of the Program;
- The amount of Funding from each year's funding allocation projected to be used for the selected 2016 SIF IAH Components and the SHIP Component;
- The amount of Funding projected to be committed to Projects or households quarterly under the selected 2016 SIF IAH Components and the SHIP Component;
- Quarterly cash flow requirements and actual quarterly payments over the life of the SHIP Component.
- The means by which the Service Manager plans to target the provincial priorities outlined in the Program Guidelines, excluding the SHIP Component;
- Agreement details under the Operating Component;
- The amount of Funding from each year's funding allocation that will be used for Administration Fees.

5.4 The Service Manager acknowledges that the Ministry will use the Program Delivery and Fiscal Plan to track the Service Manager's progress against the Service Manager's allocation of Funding.

5.5 Project proposals and/or household take-up for each year and only one year for the SHIP Component will be recommended by the Service Manager, based on the Program Delivery and Fiscal Plan.

5.6 Service Managers are required to update their Program Delivery and Fiscal Plans on a quarterly basis. Updates will include progress against their annual funding allocation, quarterly projected take-up and planned commitments, and agreement and payment details under the Operating Component.

5.7 In the event a Service Manager's original planned commitment for Funding cannot be met, a Service Manager may move Funding within its notional allocation from a 2016 SIF IAH Component to other 2016 SIF IAH Components within the same fiscal year in order to ensure that all funds are committed as set out in the Program Guidelines, as follows:

- (a) Funding originally planned for the Rental Housing, Homeownership and the Ontario Renovates Components can be re-allocated within these Components;
- (b) Funding originally planned for the Operating Component's Rent Supplement Stream and Housing Allowance Direct Delivery Stream can be re-allocated within these Streams;
- (c) No funding can be moved to the SHIP Component from the other 2016 SIF IAH Components, or from the SHIP Component to the other 2016 SIF IAH Components
- (d) If a Service Manager wishes to reallocate Funding from the Rental Housing, Homeownership, or Ontario Renovates Components to the Operating Component's Direct Delivery Streams, or vice versa, a request for reallocation shall be submitted to the Ministry prior to September 30 of the applicable year for which the reallocation is requested. The Ministry will attempt to accommodate such requests on a best efforts basis, but cannot guarantee approval of such requests.

## **6. MINISTER'S RIGHT TO WITHDRAW FUNDING**

- 6.1 The Service Manager acknowledges that the Minister has the right to withdraw, demand repayment of and reallocate Funding in accordance with the Schedules.

## **7. ADMINISTRATION FEE**

- 7.1 The Service Manager may use up to five per cent (5%) of its total 2016 SIF IAH Component funding allocation to assist with the administration of the 2016 SIF IAH Components.
- 7.2 The Service Manager may use up to five per cent (5%) of its total SHIP Component funding allocation to assist with the administration of the SHIP Component.
- 7.3 In the event the Service Manager does not commit its total funding allocation, the Minister may request repayment of the portion of the Administration Fee paid to the Service Manager that exceeds five per cent (5%) of the committed Funding. The Service Manager shall repay amounts requested by the Minister within thirty (30) days of the date the Minister requests the repayment.

## **8. COMMUNICATIONS PROTOCOL**

- 8.1 The Service Manager acknowledges that the terms of the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014 require the Minister to co-ordinate with CMHC and/or obtain CMHC's approval with respect to publicity relating to projects funded in accordance with this Agreement, including advertising, written materials and signs; messages; public statements; press

conferences; news releases; announcements; official ceremonies; and special events, in each case, for projects funded in accordance with this Agreement. The Service Manager shall ensure that there will be no such publicity, advertising, signs, messages, public statements, press conferences, news releases, announcements, official ceremonies or special events, without the prior written consent of the Minister. A copy of the requirements of the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014 is attached as Schedule F. All references to "2011-2014" or more generally to the 2011-2014 time period in the Communications Protocol forming part of the Original Agreement shall be read to apply to the 2016 SIF. The Service Manager agrees that it shall not do or omit to do any act which will cause the Minister to be in breach of these requirements.

## **9. FRENCH LANGUAGE SERVICES**

9.1 The Service Manager agrees that where the Service Manager or a subcontractor providing a public service in connection with the 2016 SIF has an office located in or servicing an area designated in the Schedule to the *French Language Services Act* ("FLSA"), the Service Manager shall:

- (a) Ensure services are provided in French; and
- (b) Make it known to the public, by way of signs, notices, other information on services, and initiation of communications in French, that services provided to and communications with the public in connection with the 2016 SIF are available in French.

9.2 The Service Manager agrees to submit a written report to the Minister, in the form set out in Schedule H, by July 15 for each year of the 2016 SIF, setting out whether the Service Manager or the subcontractor, as appropriate, have complied with Section 9.1.

9.3 Nothing in this section authorizes a Service Manager or provides it with the delegated authority to enter into any agreements on behalf of or otherwise binding the Province of Ontario.

## **10. APPRENTICESHIP**

10.1 The Service Manager agrees to submit a written report to the Minister, in the form set out in Schedule I, by July 15 of each year, indicating the activities used to promote or support apprentices in Projects, the number of Projects employing apprentices and the number of apprentices employed in Projects.

## **11. NOTICE**

11.1 Any notice or other communication required, desired or permitted to be given by this Agreement shall be in writing and shall be effectively given if:

- (a) delivered personally;
- (b) sent by prepaid courier service; or
- (c) sent by facsimile communication, and confirmed by mailing the original documents so sent by prepaid mail on the same or following day, addressed as follows:

- (i) in the case of notice to the Minister:

Ministry of Housing  
Attention: Director, Housing Programs Branch  
777 Bay Street, 14th Floor  
Toronto, ON M5G 2E5  
Fax: (416) 585-7003

- (ii) in the case of notice to the Service Manager:

The Corporation of the County of Grey  
595 9th Avenue East  
Owen Sound, ON N4K 3E3  
Telephone: (519) 376-5744  
Fax: (519) 376-0445

or at such other address as the party to whom such notice or other communication is to be given shall have advised the party giving same in the manner provided in this section. Any notice or other communication delivered personally or by prepaid courier service shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day such notice or other communication shall be deemed to have been given and received on the next following Business Day. Any notice or other communication transmitted by facsimile communication shall be deemed to have been given and received on the day of its transmission, provided that such day is a Business Day and such transmission is completed before 4:30 p.m. on such day, failing which such notice or other communication shall be deemed to have been given and received on the first (1<sup>st</sup>) Business Day after its transmission. If there has been a mail stoppage and if a party sends a notice or other communication by facsimile communication, such party shall be relieved from the obligation to mail the original document in accordance with this paragraph.

## **12. REMEDIES AND INDEMNIFICATION**

- 12.1 The Service Manager shall indemnify the Minister for all costs, damages, expenses, injury and liability whatsoever which the Minister may suffer as a result of claims of any sort arising out of the implementation of this Agreement.
- 12.2 When the Service Manager becomes aware of a failure by a party who has received Funding to observe or perform a material condition relevant to the receipt of Funding, the Service Manager shall notify the Minister. The Minister and the Service Manager shall each appoint one person to an ad hoc committee for the purpose of assembling information relating to the failure and determining a course of action for rectifying the failure. Terms of reference for the ad hoc committee shall be developed and agreed to by the Minister and the Service Manager.
- 12.3 Where applicable, in determining what course of action may be undertaken to remedy the failure, the Parties shall use its best efforts to work together co-operatively with a view to maintaining, to the greatest extent possible in the circumstances, the affordability of the rents for the Project, as determined by the Contribution Agreement. The Parties acknowledge that the interests of the tenants shall be considered in determining what course of action may be most suitable to remedy the failure.
- 12.4 The obligation to indemnify or the distribution of a recovery of Funding as a result of a failure will require the Service Manager and/or the party in receipt of Funding to exhaust all reasonable opportunities to seek recovery, which efforts shall include, but shall not be limited to, resorting to legal action to defend third party claims, seeking indemnification from insurance policies, if any, that may afford coverage for a particular loss and/or recovering Funding from bonding companies or other third parties who, at law, may be responsible for the losses as a result of a failure.
- 12.5 Where there is a direct relationship between the Minister and a party in receipt of Funding, the party in receipt of Funding shall indemnify the Minister for all Funding paid in the event of a claim against the Minister. Indemnification of the Minister will be required throughout the Affordability Period.
- 12.6 In situations of non-compliance due to misuse or negligence, the party in receipt of Funding shall repay the Minister all Funding. If a project ceases to operate as a 2016 SIF Project, the Proponent shall repay the Minister all Funding, subject to the discretion of the Minister to reduce the amount to be repaid at the rate specified in the Program Guidelines, provided that the party in receipt of Funding has fulfilled all the requirements of the Program.
- 12.7 All of the remedies in this Agreement and any security in respect of the Funding are cumulative and are not alternative and the Minister shall not be precluded

from availing himself simultaneously of some or all of the said remedies and any other remedies available in equity or at law.

- 12.8 Notwithstanding any of the terms of this Agreement or of any security in respect of the Funding, the Minister shall have the option of waiving any or all of his remedies under this Agreement and the security, but no waiver of a provision shall be deemed to constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver unless otherwise provided.

### **13. GENERAL**

- 13.1 The Service Manager shall submit information in the manner required by the Minister and shall comply with all Ministry Notifications.
- 13.2 The Service Manager shall maintain all records and documentation pertaining to each Program in which it participates and each Project funded by it under a Program for seven (7) years following the life of that Program.
- 13.3 The Service Manager shall, on forty-eight (48) hours prior written notice, give the Minister, his or her representatives and/or auditors free access to such staff, documents, books, records and accounts as may be determined by the Minister, his or her representatives and/or auditors, for the purpose of verifying compliance with the Programs and this Agreement. The Service Manager shall ensure that the same obligation is imposed on any subcontractor engaged to assist the Service Manager in the performance of this Agreement. The Service Manager acknowledges that the Ministry may conduct a random audit of a sampling of Service Managers and its subcontractors in any year. No provision of the Agreement shall be construed so as to give the Minister any control whatsoever over the Service Manager's records. For greater certainty, the Minister's rights under this section are in additions to any rights provided to the Auditor General pursuant to section 9 (1) of the *Auditor General Act* (Ontario). This section shall survive any expiry or termination of this Agreement.
- 13.4 The Service Manager represents that it has not knowingly provided the Minister with any false or misleading information respecting the subject matter of this Agreement and agrees that it shall not knowingly provide any false or misleading information to the Minister in the performance of its obligations under this Agreement.
- 13.5 Any power, right or function of the Minister, contemplated by this Agreement, may be exercised by any employee or agent of the Ministry of Housing.
- 13.6 It is understood that the *Freedom of Information and Protection of Privacy Act* shall apply to all records submitted to or created by the Minister pursuant to this Agreement.

- 13.7 The Service Manager represents and warrants that it shall comply with all relevant legislation respecting freedom of information and protection of privacy, including, but not limited to the *Freedom of Information and Protection of Privacy Act*, the *Municipal Freedom of Information and Protection of Privacy Act*, and the *Personal Information Protection and Electronic Documents Act*.
- 13.8 Each disbursement of Funding by the Minister to the Service Manager under this Agreement is subject to the necessary appropriations from the Federal Parliament and the Provincial Legislature. Neither the Minister nor CMHC shall have any liability in the event the respective appropriations are insufficient to meet the funding obligations of the Minister.
- 13.9 Nothing in this Agreement is to be construed as authorizing one Party to contract for or incur any obligation on behalf of the other or to act as agent for the other and nothing in this Agreement shall be construed to constitute the Minister and the Service Manager as partners of each other.
- 13.10 The Service Manager acknowledges that CMHC is not a party to this Agreement.
- 13.11 No member of:
- (a) the House of Commons or Senate of Canada; or
  - (b) the Legislative Assembly of Ontario; or
  - (c) the Municipal Council or District Social Services Administration Board constituting the Service Manager herein or the Municipal Council of any local municipality of such Service Manager or the governing body of any Municipal Agency, Board or Commission of any of such municipalities;
- shall be admitted to any share or part of any contract, agreement or commission made pursuant to this Agreement or to any benefit arising therefrom, including, without limitation, any contract, agreement or commission arising from or related to the 2016 SIF.
- 13.12 All of the remedies available to the Minister under this Agreement, at equity and/or at law are cumulative and are not alternative and the Minister shall not be precluded from availing himself simultaneously of some or all of the said remedies.
- 13.13 Notwithstanding any of the terms of this Agreement, the Minister shall have the option of waiving any or all of his remedies under this Agreement, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided.
- 13.14 Time shall in all respects be of the essence in this Agreement, provided that the time for doing or completing any matter provided for under this Agreement may



be extended or abridged by agreement in writing signed by the Minister and the Service Manager or its respective solicitors on its behalf, who are hereby expressly appointed in this regard.

- 13.15 This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the Province of Ontario.
- 13.16 Any reference to a statute in this Agreement includes a reference to all regulations made pursuant to such statute, all amendments made to such statute and regulations in force from time to time and to any statute or regulation which may be passed and which has the effect of supplementing or superseding such statute or regulations.
- 13.17 The headings and subheadings contained in this Agreement are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Agreement or form part of this Agreement.
- 13.18 The parties agree that there are no representations, warranties, covenants, agreements, collateral agreements or conditions affecting this Agreement other than as expressed in writing in this Agreement.
- 13.19 This Agreement shall be read with all changes of gender and number required by the context.
- 13.20 Each of the Parties shall, at any time and from time to time, upon not less than twenty (20) Business Days prior written notice by the other Party, execute and deliver to the other Party a statement in writing confirming that this Agreement is in good standing, unmodified and in full force and effect, or if there have been modifications that the same are in good standing and in full force and effect, as modified, and stating the modifications. Where applicable, the statement shall state the defaults, if any, known to the Party to whom such request has been made and the action taken or proposed to be taken by such requested Party with respect to same.
- 13.21 If the Service Manager owes any money to the Minister, whether or not its return or repayment has been demanded by the Minister, such monies shall be deemed to be a debt due and owing to the Minister by the Service Manager and the Service Manager shall pay or return the amount to the Minister unless the Minister otherwise directs. The Minister may charge the Service Manager interest on any monies owing by the Service Manager at the then current interest rate charged by the Province of Ontario on accounts receivable.
- 13.22 The Minister may set off any debt owing by the Service Manager to the Minister under this Agreement against any amount payable by the Minister to the Service Manager.

- 13.23 The Service Manager shall not assign this Agreement without the prior written consent of the Minister, which consent may be withheld, acting in his sole discretion.
- 13.24 This Agreement shall ensure to the benefit of and be binding upon the Parties hereto and its respective successors and assigns, provided that this paragraph shall in no way derogate from the provisions of section 13.23 restricting the Service Manager's ability to assign this Agreement.
- 13.25 The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Any invalid or unenforceable provision shall be deemed to be severed.

**IN WITNESS THEREOF** this Agreement has been executed by the Parties.

**HER MAJESTY THE QUEEN IN RIGHT OF  
ONTARIO AS REPRESENTED BY THE  
MINISTER OF HOUSING**

*for Janet Hope*  
\_\_\_\_\_  
Janet Hope  
Assistant Deputy Minister

Date: *August 16, 2016*

**THE CORPORATION OF THE COUNTY OF  
GREY**

Per: \_\_\_\_\_

Name: *Alan Barfoot*  
Mr. Alan Barfoot

Title: Warden

Date: *August 11, 2016*

c/s

Per: \_\_\_\_\_

Name: *Sharon Vokes*  
Ms. Sharon Vokes

Title: Clerk

Date: *August 11, 2016*

c/s

I/We have the authority to bind the Service  
Manager

## SCHEDULE A

### 2016 SOCIAL INFRASTRUCTURE FUND

#### Rental Housing Component

#### 1. INTERPRETATION

1.1 In this Schedule, unless the context requires otherwise,

- **“Administration Agreement”** means the Administration Agreement between the Minister and the Service Manager to which this Schedule forms a part;
- **“Affordability Period”** means the period during which the average rent in a Project is required to be maintained at an affordable level, as determined in accordance with the Program Guidelines or as otherwise established by the Minister;
- **“Affordable Housing”** means Housing which is modest in terms of floor area and amenities, based on household needs and community norms, in Projects that achieve rent levels in accordance with the Program Guidelines, but does not include residential premises used as a nursing home, retirement home, shelter, crisis care facility or any other type of similar facility;
- **“Average Market Rents”** means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the Minister, based on available data, in areas where there is no or insufficient information from the CMHC Average Market Rent Survey;
- **“Conditional Letter of Commitment”** means the letter issued by the Minister confirming approval of the Project and setting out the amount, terms and conditions of Funding allocated to the Proponent;
- **“Contribution Agreement”** means an agreement entered into by the Service Manager or another party contributing to the Project and an approved Proponent for contributions under the Program;
- **“Contributions by Others”** means cash or in-kind eligible contributions from Service Managers, municipalities, housing providers, the private sector, the voluntary sector, charities and

individual donors, to be used in accordance with a Program or Programs under this Agreement. Contributions by Others does not include: contributions from any Government of Canada sources, including, but not limited to arrangements with CMHC; nor contributions under any program wholly or partially funded from Government of Canada sources; nor contributions which receive credit under any arrangement with CMHC or the Government of Canada outside this Agreement;

- **“Development Activities”** means those activities which are normally undertaken for the development, construction, repair, renovation, rehabilitation or conversion of buildings for residential purposes, including the acquisition of property;
- **“Funding”** means funding provided under the Program, as set out in the Program Guidelines;
- **“Funding Schedule”** means the schedule of funding setting out progress payments for the type of Project to be undertaken by a Proponent, in the form determined by the Minister;
- **“Housing”** means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;
- **“Occupancy Date”** means the date on which occupancy of all Units in a Project is permitted;
- **“Phase-out Period”** means the last five (5) year period of the Affordability Period;
- **“Program”** means the Rental Housing Component described in the Program Guidelines;
- **“Program Guidelines”** means the Program Guidelines for the 2016 SIF Components;
- **“Project”** means Affordable Housing proposed or approved for the Program, as the context may require;
- **“Project Information Form”** means the form submitted by the Service Manager to the Minister for consideration of a Project;

- **“Proponent”** means a person or other legal entity that has submitted a Proposal;
- **“Proposal”** means the proposal to participate in the Program, submitted to the Service Manager;
- **“Rental Component”** means the Rental Housing Component described in the Program Guidelines;
- **“Unit”** means a self-contained residential dwelling, including, without limiting the generality of the foregoing, (i) supportive rental Housing where service funding is secured from sources other than Funding provided under the Program; (ii) multi-bedroom units which are used for congregate living; and (iii) disabled/accessible units.

1.2 The following Appendices are attached to and form part of this Schedule:

Appendix A - Proponent’s Initial Occupancy Report;  
Appendix B - Proponent’s Annual Occupancy Report;  
Appendix C - Service Manager’s Annual Report;  
Appendix D - Rental Protocol;  
Appendix E - Confirmation of Construction Start;  
Appendix F - Confirmation of Employment of Apprentices.

1.3 In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.

1.4 All references in this Schedule to section numbers are references to sections of this Schedule unless stated otherwise.

## 2. **REQUIREMENTS FOR PARTICIPATING IN THE RENTAL HOUSING COMPONENT**

2.1 Prior to the Service Manager participating in the Rental Housing Component:

- (a) the Service Manager shall ensure that the general property tax applicable to Units built under the Program is in accordance with the criteria set out in the Program Guidelines;
- (b) the Service Manager shall establish initial income limits, at levels which it considers appropriate, which it shall apply as a requirement for all applicants for tenancies of Units. The Service Manager may apply annual income testing as a requirement for tenants during the term of their tenancies or upon any lease

renewal or extension. The Service Manager shall periodically review such income limits and, if it considers it necessary, revise them to levels which it considers appropriate.

### **3. PROJECT SELECTION**

- 3.1 The Service Manager shall evaluate, or shall have evaluated, each Project in accordance with the requirements of the Program Guidelines.
- 3.2 The Service Manager shall submit to the Minister a list of Council or delegated authority approved Projects with recommended Funding requirements based on the submitted Program Delivery and Fiscal Plan and within the Service Manager's notional allocation.
- 3.3 In respect of each Project, the Service Manager shall submit a Project Information Form and the appropriate Funding Schedule to the Minister for approval.
- 3.4 If the Minister approves the Project, the Minister shall issue a Conditional Letter of Commitment to the Proponent and shall advise the Service Manager of the approval of the Project.
- 3.5 The Funding shall be allocated to the Projects at the discretion of the Minister.
- 3.6 The Service Manager shall advise and request approval from the Minister for any changes to the Projects which may affect the number of Units or the Funding requirements for the Service Manager and the Project.
- 3.7 The Minister may change the allocation of Funding to a Project in response to a change in the Project.
- 3.8 The Service Manager shall approve Projects in accordance with policies it has adopted respecting the procurement of goods and services, as required by the *Municipal Act, 2001*.
- 3.9 A Service Manager who utilizes the municipality or a municipal non-profit housing corporation to deliver Units under the Program is not required to use a procurement process to solicit the municipality or the municipal non-profit housing corporation as a Proponent, but the municipality or municipal non-profit housing corporation shall award contracts to build Units using procurement practices authorized by the Service Manager.

#### **4. PAYMENTS BY THE MINISTER**

##### **4.1 In respect of all Projects:**

- (a) The Minister shall pay the Service Manager the Funding within fifteen (15) Business Days following the Minister receiving written confirmation from the Service Manager that:
  - (i) the Service Manager and the Proponent have signed a Contribution Agreement;
  - (ii) the Proponent is in compliance with the Contribution Agreement; and
  - (iii) the Proponent has satisfied the criteria for the payment to be made pursuant to the Funding Schedule;
- (b) The Service Manager shall pay the Proponent the Funding within fifteen (15) Business Days of receiving the Funding from the Minister, provided that:
  - (i) the Proponent is in compliance with the Contribution Agreement;
  - (ii) the Proponent has satisfied the criteria for payments to be made pursuant to the Funding Schedule; and
  - (iii) the Proponent has complied with the requirements of the Program;

4.2 Notwithstanding section 4.1, no Funding shall be paid to the Service Manager in respect of a Project unless the Service Manager has advised the Minister that the Service Manager has entered into a Contribution Agreement with the Proponent for the Project that provides for the use, accountability and security of the Funding, and the Proponent is not in breach of the Contribution Agreement.

4.3 Notwithstanding sections 4.1 and 4.2, the Service Manager may authorize the Minister to pay Funding to a third party and the Minister shall permit such authorization.

4.4 Notwithstanding sections 4.1 and 4.2, the Proponent may authorize the Service Manager to pay Funding to a third party and the Service Manager shall permit such authorization.

- 4.5 All Funding for a Project shall be advanced to the Service Manager within two (2) years of the signing of the Contribution Agreement.

## **5. ADMINISTRATION**

- 5.1 Following the approval of each Project by the Minister, the Service Manager shall arrange for an appropriate form of Contribution Agreement to be executed, and shall register appropriate security documents, prior to requesting Funding from the Minister or forwarding Funding to the Proponent.
- 5.2 A Contribution Agreement under this Schedule cannot be signed after March 31, 2018, or such earlier date as may be determined by the Minister and communicated by the Minister to the Service Manager by notice in writing.
- 5.3 The Service Manager shall monitor all Projects which have received a Funding allocation to determine whether the Proponents carry out all Development Activities in such manner and within such time periods as are set out in the Program Guidelines or as may be determined by the Minister.
- 5.4 Construction for each Project must commence within three (3) months of the date of the Contribution Agreement for the Project. If construction for a Project has not commenced within three (3) months of such date, the Minister may cancel the Funding for the Project, demand repayment of Funding for the Project and reallocate such Funding as the Minister deems appropriate.
- 5.5 The Service Manager shall provide the Minister with a completed Confirmation of Construction Start, in the form attached to this Schedule as Appendix E, at the start of construction of each Project, within ten (10) days of the start of construction of the Project.
- 5.6 Construction for each Project must be completed within two (2) years of the date of the Contribution Agreement for the Project:
- 5.7 The Service Manager shall obtain from the Proponent and shall forward to the Minister, an audited financial statement respecting the expenditure of the Funding provided to the Proponent, within ninety (90) days or such additional time as may be determined by the Minister, following the date on which the Minister is advised by the Service Manager that the Project will not proceed or within six (6) months or such additional time as may be determined by the Minister, of the Occupancy Date.



- 5.8 In the event the Project costs in the audited financial statement or such other statement as the Minister may determine are lower than the amount on the Project Information Form, and as a result,
- (a) the Proponent is no longer in compliance with the equity requirements set out in the Program Guidelines; and/or
  - (b) the Funding represents greater than seventy-five per cent (75%) of the total capital cost per unit of the Project;

the Minister reserves the right to deduct an appropriate amount of Funding from any subsequent advance of Funding to ensure compliance with (a) and (b), or the Service Manager shall be required to refund an appropriate amount to the Minister.

- 5.9 During the period following the date of execution of this Agreement and the end of the Program, the Service Manager shall provide the Minister by July 15, October 15, December 15 and March 15 of each year with a quarterly updated Program Delivery and Fiscal Plan, indicating the amount of Program Funding approved and the number of Program Units committed.
- 5.10 During the period between the date of execution of this Agreement and the Occupancy Date of all of the Projects, the Minister and the Service Manager shall collaboratively review annually during the month of April the progress of utilization of the Funding by the Proponents at their respective Projects on the basis of the reports submitted pursuant to Appendix C.
- 5.11 The Service Manager acknowledges that the Minister is required to report to CMHC under the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014, as amended and that, in order to fulfill the said reporting requirements, it will be relying on the materials provided to it pursuant to sections 5.9, 5.13 and 5.14, and on the collaborative review of these materials pursuant to section 5.10.
- 5.12 The Service Manager shall, at the request of the Minister, provide the Minister with proof that occupancy of all Units in the Project is permitted.
- 5.13 Upon initial occupancy of a Project, the Service Manager shall obtain and validate from each Proponent, the Project Initial Occupancy Report, in the form attached to this Schedule as Appendix A, and the Confirmation of Employment of Apprentices, in the form attached to this Schedule as Appendix F, and submit them to the Minister.

5.14 During the period between the Occupancy Date of each Project and the end of the Phase-out Period, the Service Manager shall:

- (a) obtain annually from each Proponent a completed information report, in the form attached to this Schedule as Appendix B and submit them to the Minister; and
- (b) complete and submit to the Minister, on or before the last day of March subsequent to each reporting calendar year, a report on all of the said funded Projects, in the form attached to this Schedule as Appendix C.

5.15 The Service Manager shall immediately inform the Minister in writing of the following matters as soon as it becomes aware of them:

- (a) a request by a Proponent to transfer responsibility for a Project to another entity;
- (b) any failure by the Proponent to carry out all the Development Activities required in the Program Guidelines or any failure to carry out such Development Activities in such manner and within such time periods as are set out in the Program Guidelines or as may be determined by the Minister;
- (c) if construction for a Project has not commenced within ninety (90) days of the date of the Contribution Agreement;
- (d) if construction has not been completed within two (2) years of the date of the Contribution Agreement;
- (e) any breach by the Proponent of its Contribution Agreement with the Service Manager;
- (f) the Proponent becoming bankrupt or insolvent or taking the benefit of any act now or hereafter in force for bankrupt or insolvent debtors or filing any proposal or making any assignment for the benefit of creditors or any arrangement or compromise;
- (g) the appointment of a receiver or a receiver and manager for all or a portion of a Project; and
- (h) the taking of any steps or any action or the institution of any proceedings by a Proponent or by any other party, including, without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding up or liquidation of the Proponent or its assets.

## **6. REMEDIES**

6.1 If the Service Manager breaches any one or more of the provisions of this Schedule, and the breach is not corrected within a reasonable period of time after notice has been given to the Service Manager by the Minister, the Minister may, by written notice to the Service Manager,

- (a) terminate this Schedule;
- (b) demand immediate repayment of all or part of any Funding in the possession or control of the Service Manager that has not been used for a Project;
- (c) demand immediate repayment of all or any part of the monies paid by the Minister to the Service Manager under this Schedule;
- (d) demand immediate repayment of all amounts paid by the Minister to the Service Manager under this Schedule that relate to the Project in respect of which the breach occurred;
- (e) cancel all further instalments of Funding; and/or
- (f) suspend further instalments of Funding for such period as the Minister may determine appropriate.

The Service Manager shall comply with a demand referred to in clause (c) and/or (d), irrespective of whether it has used any of the relevant amounts for a Project.

6.2 All of the remedies available to the Minister under this Schedule, at equity and/or at law, are cumulative and are not alternative and the Minister shall not be precluded from availing himself simultaneously of some or all of the said remedies.

6.3 Notwithstanding any of the terms of this Schedule, the Minister shall have the option of waiving any or all of his remedies under this Agreement, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided.

## **7. GENERAL**

7.1 The Rental Housing Component is available from the date of the Service Manager Administration Agreement until March 31, 2018.

- 7.2 The Service Manager shall enter into a Contribution Agreement with the Proponent which requires the Proponent to comply with the requirements of the Program.
- 7.3 The Service Manager acknowledges and agrees that the Rental Protocol set out in Appendix D applies to all Projects by virtue of the contractual terms of this Agreement, notwithstanding that the Rental Protocol does not apply to Projects under the *Residential Tenancies Act, 2006*, and shall ensure that the Proponent agrees in writing that Appendix D applies to its Project.
- 7.4 The headings and subheadings contained in this Schedule are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Schedule or form part of this Schedule.
- 7.5 If the Parties have previously entered into administration agreement(s) respecting prior Rental Housing Component(s) of the Affordable Housing Program, the Investment in Affordable Housing Program 2011-2014, or the Investment in Affordable Housing (2014 Extension), the Parties acknowledge and agree that the provisions of such agreement continue in full force and effect notwithstanding that no further funding is being provided by the Minister to the Service Manager under that agreement and notwithstanding that the Parties have entered into the Administration Agreement in respect of new funding.

## APPENDIX A

### PROPONENT'S INITIAL OCCUPANCY REPORT 2016 SIF IAH - Rental Housing Component

#### A. Project Information

Reference No.	
Project Name	
Project Address	
Occupancy Date	
Contribution Agreement Expiry Date	

#### B. Unit Details

Target Client	Unit Type	Household Type	SIF Units (A)	# of SIF RS	# of SIF HA	# of Other RS	# of SS	Non-SIF Units (B)	Total Units (A+B)
	Bachelor								
	1 BR								
	2 BR								
	3 BR								
	Others (specify)								
	<b>Total</b>								

**SIF RS:** SIF – Rent Supplements  
**Other RS:** Other Rent Supplements

**SIF HA:** SIF – Housing Allowances  
**SS:** Supportive Services

#### C. Depth of Affordability: Rents at Occupancy (SIF Funded Units)

Unit Type	Unit Size	Number of Units (A)	Actual Rent to be charged per month (B)	CMHC Average Market Rent (AMR – 20XX) or Alternate AMR (C)	Actual Project Rents by Unit Type (D)=(A)X(B)	Project Rents as per CMHC AMR or Alternate AMR (E)=(A)X(C)
Bachelor						
1 BR						
2 BR						
3 BR						
Others (specify)						
<b>TOTAL</b>						

**Notes:**

- Actual Rent is inclusive of federal and/or provincially funded Rent Supplements received by the Proponent.
- Alternate AMR examples include: modified Ontario Works Shelter Allowance; Ministry-approved alternate.

<b>Weighted Average Rents</b>	<b>Project Weighted Average Rent</b> Total of (D)÷Total of (A) =	<b>CMHC or Alternate Weighted Average Rent</b> Total of (E)÷Total of (A) =
<b>Depth of Affordability</b>	(Project Weighted Average Rent ÷ CMHC (or Alternate) Weighted Average Rent) x100 =	

**D. Source of Alternate AMR (if an alternate AMR is being used)**

--

**E. Rationale (if Depth of Affordability is greater than 80% of CMHC AMR (or Alternate))**

--

**F. Project Certification**

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the \_\_\_\_\_ [insert name of Service Manager] to review the rent roll from appropriate sources(s) if deemed necessary.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

Submitted by \_\_\_\_\_ [insert name of Service Manager]

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

## APPENDIX B

### PROPONENT'S ANNUAL OCCUPANCY REPORT

2016 SIF IAH - Rental Housing Component  
For the Year Ended December 31, 20XX

#### A. Project Information

Reference No.	
Project Name	
Project Address	
Occupancy Date	
Contribution Agreement Expiry Date	

#### B. Unit Details

Target Client	Unit Type	Household Type	SIF Units (A)	# of SIF RS	# of SIF HA	# of Other RS	# of SS	Non-SIF Units (B)	Total Units (A+B)
	Bachelor								
	1 BR								
	2 BR								
	3 BR								
	Others (specify)								
	<b>Total</b>								

#### Notes:

**SIF RS:** SIF – Rent Supplements  
**Other RS:** Other Rent Supplements

**SIF HA:** SIF – Housing Allowances  
**SS:** Supportive Services

### C. Actual Rents at Year End

Unit Type	SIF Funded Units	Previous Year 20XX		Current Year 20XX			Rationale (If D>B)
		Actual Rent per Unit per Month (A)	RTA Permitted Increase per Unit per Month X % (specify) (B)	Actual Rent per Unit per Month (C)	Rent Increase (D) = (C)-(A)	(E) CMHC or Alternate AMR	
Bachelor							
1 BR							
2 BR							
3 BR							
4 BR							
Other (specify)							
TOTAL							

### D. Depth of Affordability: Rents during year of reporting (SIF Funded Units)

Unit Type	Unit Size	Number of Units (A)	Actual Rent to be charged per month (B)	CMHC Average Market Rent (AMR – 20XX) or Alternate AMR (C)	Actual Project Rents by Unit Type (D)=(A)X(B)	Project Rents as per CMHC AMR or Alternate AMR (E)=(A)X(C)
Bachelor						
1 BR						
2 BR						
3 BR						
Others (specify)						
TOTAL						

#### Notes:

1. Actual Rent is inclusive of federal and/or provincially funded Rent Supplements received by the Proponent.
2. Alternate AMR examples include: modified Ontario Works Shelter Allowance; Ministry-approved alternate.

<b>Weighted Average Rents</b>	<b>Project Weighted Average Rent</b> Total of (D)+Total of (A) =	<b>CMHC or Alternate Weighted Average Rent</b> Total of (E)+Total of (A) =
<b>Depth of Affordability</b>	(Project Weighted Average Rent ÷ CMHC (or Alternate) Weighted Average Rent) x100 =	



**Note:** Depth of Affordability cannot be greater than 80% of CMHC AMR or Alternate without the approval of the Service Manager.

**D. Rationale (if Depth of Affordability is greater than 80% of CMHC AMR (or Alternate))**

--

**E. Project Certification**

I certify, to the best of my knowledge, that the information provided in Sections B and C above is true and correct. I hereby authorize the \_\_\_\_\_ [insert name of Service Manager] to review the rent roll from appropriate sources(s) if deemed necessary.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

Submitted by \_\_\_\_\_ [insert name of Service Manager]

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

## APPENDIX C

### SERVICE MANAGER'S ANNUAL REPORT

2016 SIF IAH - Rental Housing Component

For Completed Projects between January 1, \_\_\_\_\_, and December 31, \_\_\_\_\_  
in \_\_\_\_\_ (insert name of Service Manager)

#### Weighted Average Rents

Reference No.	Name Of Project & Location	Total Number of Units (#)	SIF Funded Units (#)	Type of Development		Weighted Average Rent of Project per Month	% of CMHC AMR Achieved for Overall Project
				New Construction	Acquisition/ Rehabilitation & Conversion		
	<b>TOTAL</b>						

**Notes:**

1. Refer to Appendix B for calculation of weighted average rents.
2. Percentage of CMHC AMR achieved. This percentage cannot be greater than 80% of CMHC AMR, without the approval of the Minister.

## APPENDIX D

### RENTAL PROTOCOL

#### 1. DEFINITIONS

1.1 In this Appendix D, unless the context requires otherwise,

- **“Affordability Period”** means the minimum twenty (20) year period following the date of the first (1st) occupancy of a Unit in the Project;
- **“Agreement”** means the Agreement to which this Appendix D is attached;
- **“Phase-out Period”** means the last five (5) year period of the “Affordability Period”, and

when used in this Appendix D, the term “rent” includes the amount of any consideration paid or given or required to be paid or given by or on behalf of a tenant to the Proponent or the Proponent’s agent for the right to occupy a Unit and for any services and facilities and any privilege, accommodation or thing that the Proponent provides for the tenant in respect of the occupancy of the Unit, whether or not a separate charge is made for services and facilities or for the privilege, accommodation or thing.

1.2 The definitions in the Agreement shall apply to this Appendix D, in addition to the definitions contained in section 1.1 above.

1.3 All references to section numbers in this Appendix are references to sections of the Appendix, unless otherwise explicitly stated.

#### 2. AFFORDABLE RENT

2.1 During the Affordability Period, the Proponent shall not charge rent for a Unit in the Project in excess of the affordable rent permitted under this Appendix D nor increase any rent charged for a Unit except as permitted in this Appendix D.

#### 3. RENTS

3.1 The weighted average rent of all Units in a Project for which Program Funding has been utilized shall not exceed eighty per cent (80%) of CMHC Average Market Rents in the geographical area, as determined in the most recent CMHC Annual Rental Market Survey.

3.2 Notwithstanding 3.1,

- (a) in the event that eighty per cent (80%) of the CMHC Average Market Rent for units of a similar type in the geographical area is less than one hundred and five per cent (105%) of the modified shelter allowance under the Ontario Works program, the weighted average rent of all Units in a Project for which Program Funding has been utilized shall not exceed one hundred and five per cent (105%) of the modified shelter allowance under the Ontario Works program for units of a similar type;
  - (b) in areas where the CMHC Average Market Rent does not represent the average market rents of a particular community, alternate market rents may be submitted by the Service Manager for review and approval by the Minister.
- 3.3 In no event shall rent for any Unit exceed the CMHC Average Market Rent for units of a similar type in the geographical area or such alternate market rents for units of a similar type in the geographical area as have been approved by the Minister.
- 3.4 If rent supplements are used for 2016 SIF funded Rental Housing Units, the Service Manager shall ensure that the total rent received by a Proponent, including rent from the tenant and the rent supplement shall not exceed one hundred per cent (100%) of the CMHC Average Market Rent for units of a similar type in the geographical area or alternate rents that have been approved by the Minister.
- 3.5 If federal and/or provincially funded rent supplements are used for 2016 SIF funded Rental Housing Units, the Service Manager shall ensure that when calculating the weighted average rent for a Project, the total rent received by a Proponent, including rent from the tenants and the federal and/or provincially funded rent supplement shall be considered.

#### **4. RENT INCREASES**

- 4.1 The Proponent may increase the rent charged under section 3.1 and 3.2 with respect to a Unit only if at least twelve (12) months have elapsed,
  - (a) since the day of the last rent increase respecting the Unit, if there has been an increase, or
  - (b) since the day the Unit was first rented for the first (1st) rental period following the completion of the Development Activities in connection with the Project.
- 4.2 Subject to section 4.3, the Proponent shall not increase the rent pursuant to section 4.1 during the Affordability Period by more than the then prevailing rent increase guideline established for each calendar year

pursuant to the *Residential Tenancies Act, 2006* or any successor legislation. The Proponent acknowledges that the rent increase guideline of the *Residential Tenancies Act, 2006* or any successor legislation, does not apply to the Project and agrees that the rent increase guideline applies by virtue of the contractual terms of the Agreement and this Appendix D.

- 4.3 From the beginning of the eleventh (11th) year of the Affordability Period until the end of the Affordability Period, in addition to the increase permitted by section 4.2, the Proponent may apply to the Service Manager to increase Unit rents to an amount not to exceed CMHC Average Market Rent for units of a similar type in the geographical area.

## **5. PHASE-OUT PERIOD**

- 5.1 During the Phase-out Period, the Proponent shall not increase the rent charged to *in-situ* tenants of Units by more than the rent guideline increase permitted under section 4.2 and any additional increase that may be approved under section 4.3.
- 5.2 Upon a Unit becoming vacant during the Phase-out Period, the Proponent may rent the Unit to a new tenant at any rent agreed to by the Proponent and the new tenant.

## **6. EXCEPTION**

- 6.1 Subject to the provisions of the *Residential Tenancies Act, 2006* or any successor legislation, and notwithstanding the provisions of this Appendix D respecting rent increases prior to and during the Phase-out Period, where a Service Manager implements income verification of tenants following the initial occupancy of a Unit, a Service Manager may increase the rent for a Unit by more than the rent increase guideline under the *Residential Tenancies Act, 2006* or any successor legislation, provided that the rent for the Unit does not exceed the CMHC Average Market Rent for units of a similar type for that year and provided that the weighted average rent for the funded Units in a Project does not exceed the permitted rents for the Project.

## **7. AFTER PHASE-OUT PERIOD**

- 7.1 After the end of the Phase-out Period, the Proponent shall be permitted to rent Units in the Project to new tenants at rents agreed to by the Proponent and the new tenants.

## APPENDIX E

### CONFIRMATION OF CONSTRUCTION START

2016 SIF IAH - Rental Housing Component

This is to confirm that the \_\_\_\_\_ project in the  
\_\_\_\_\_ [SM name] commenced construction on  
\_\_\_\_\_ [date].

The start of construction for this project is within one hundred twenty (120)  
days of the date of the project's Contribution Agreement, which was  
signed on \_\_\_\_\_ [CA date].

I declare that the above information is true and complete.

\_\_\_\_\_

Signature

\_\_\_\_\_

Name and Title of Service Manager/Authorized Signing Officer

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

## APPENDIX F

### CONFIRMATION OF EMPLOYMENT OF APPRENTICES

2016 SIF IAH - Rental Housing Component

Required for Each Rental Housing Project

This is to confirm that the \_\_\_\_\_ project in the \_\_\_\_\_ [SM name] has employed a total of \_\_\_\_\_ [number of] apprentices throughout the development and construction of the project.

The apprentices employed during project construction have received training in the following trades:

\_\_\_\_\_  
\_\_\_\_\_

The following initiatives/activities were used to promote or support apprentices in the Project:

\_\_\_\_\_  
\_\_\_\_\_

The project proponent, \_\_\_\_\_ [proponent name] has provided appropriate documentation in support of the above information.

I declare that the above information is true and complete.

\_\_\_\_\_

Signature

\_\_\_\_\_

Name and Title of Service Manager/Authorized Signing Officer

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_





## SCHEDULE B

### 2016 SOCIAL INFRASTRUCTURE FUND

#### Homeownership Component

#### INTERPRETATION

1.1 In this Schedule, unless the context requires otherwise, the following terms have the meanings set out in this Section.

- **“2016 SIF IAH Components”** has the meaning given to it in the main body of the Administration Agreement;
- **“2016 SIF Loan”** has the meaning given to it in Section 4.1;
- **“2016 SIF Mortgage”** has the meaning given to it in Section 5.1;
- **“Administration Agreement”** means the Administration Agreement between the Minister and the Service Manager to which this Schedule forms a part;
- **“Affordable Housing”** means Housing that is affordable to individuals and households with an income at or below the sixtieth (60<sup>th</sup>) percentile of income for the Service Manager’s area or Ontario, whichever is lower;
- **“Affordability Period”**, with respect to each Eligible Purchaser that receives a 2016 SIF Loan, means the minimum twenty (20) year period commencing on the date of the 2016 SIF Loan advance to such Eligible Purchaser;
- **“APS”** has the meaning given to it in Section 3.1;
- **“APS Funding”** has the meaning given to it in Section 3.1;
- **“Eligible Purchaser”** means a Purchaser that satisfies the Purchaser Eligibility Criteria;
- **“Eligible Unit”** means a Unit that meets the Unit Eligibility Criteria;
- **“Federal Funds”** means funding from CMHC with respect to an Eligible Unit;
- **“Homeownership Component”** means the Homeownership Component described in the Program Guidelines;

- **“Housing”** means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;
- **“Permitted Encumbrances”** means (i) a mortgage securing primary financing solely for the acquisition of the relevant Eligible Unit, (ii) a declaration and description under the *Condominium Act* where the Eligible Unit is a condominium, (iii) any minor easements for the supply of domestic utility or telephone services to the Eligible Unit or adjacent properties, (iv) any minor easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property as a residential dwelling; (v) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with; and (vi) any registered restrictions that run with the land provided such have been complied with;
- **“Project Information Form”** means the form or format submitted by the Service Manager to the Minister for consideration of a Project;
- **“Program”** means the Homeownership Component as set out in the Program Guidelines;
- **“Program Guidelines”** means the Program Guidelines for the 2016 SIF Components;
- **“Provincial Funds”** means funding from Ontario with respect to an Eligible Unit;
- **“Purchaser”** means a person that has entered into an agreement of purchase and sale for the purchase of an Eligible Unit;
- **“Purchaser Eligibility Criteria”** means the criteria set out in Appendix A;
- **“Revolving Loan Fund”** means a fund established by the Service Manager, or a third party subcontractor as permitted under section 11.2, in a segregated bank account for the sole purpose of providing moderate and low-income individuals and households with down payment assistance to purchase Affordable Housing on the same terms and conditions as are set out in Sections 4 and 5 of this Schedule but at such level of assistance as is determined by the Service Manager;
- **“Unit”** means a self-contained residential dwelling;

- **“Unit Eligibility Criteria”** means the criteria set out in Appendix B.

1.2 The following Appendices are attached to and form part of this Schedule:

Appendix A - Purchaser Eligibility Criteria;  
Appendix B - Unit Eligibility Criteria;  
Appendix C - 2016 SIF Homeownership Annual Report.

1.3 In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.

1.4 All references in this Schedule to section numbers are references to sections of this Schedule unless stated otherwise.

## **2. PROGRAM GUIDELINES**

2.1 The Service Manager agrees to administer the Homeownership Component in accordance with the Program Guidelines.

## **3. PROVISION OF FUNDS BY THE MINISTER**

3.1 Subject to Sections 3.3, 3.4, 3.5 and 3.8, upon receipt by the Minister from the Service Manager of a copy of the first page and the signature page of a fully executed agreement of purchase and sale (an **“APS”**), for the purchase of an Eligible Unit by an Eligible Purchaser, together with a completed Project Information Form, the Minister will transfer to the Service Manager in trust, within fifteen (15) business days or within fifteen (15) days of the closing date of the Eligible Unit, whichever is later, the amount of funding that is requested by the Service Manager for use as down payment assistance for the Eligible Purchaser (the **“APS Funding”**).

3.2 The transfer of all APS Funding will be made by electronic funds transfer.

3.3 In no event shall the APS Funding for an Eligible Unit exceed \$50,000.

3.4 In no event shall the aggregate of all APS Funding received by the Service Manager under this Schedule and advanced by the Service Manager to Eligible Purchasers as of March 31, 2024 exceed ten per cent (10%) of the sum of the purchase prices for all of the Eligible Units acquired by such Purchasers other than Eligible Units acquired from affiliates of Habitat for Humanity.

3.5 In no event may any APS be submitted for funding under this Schedule after March 31, 2020 or such earlier date as may be determined by the Minister and communicated by the Minister to the Service Manager by notice in writing.

3.6 The Service Manager shall use the APS Funding transferred to it by the Minister in respect of an Eligible Unit solely (i) for the purpose of providing a 2016 SIF

Loan to an Eligible Purchaser of the Eligible Unit in accordance with this Schedule, or (ii) as the Minister may in writing direct.

- 3.7 All interest that accrues on APS Funding while held by the Service Manager may be used by the Service Manager for the purpose of administering and delivering Affordable Housing.
- 3.8 In no event shall funding under this Schedule be advanced to the Service Manager after March 31, 2024.
- 3.9 For greater certainty, should the Minister in his or her sole discretion believe at any point in time that the Service Manager is not likely to comply with Section 3.4, the Minister may refuse to provide funding under Section 3.1.

#### **4. PROVISION OF 2016 SIF LOANS BY SERVICE MANAGER**

- 4.1 Subject to Section 4.4, on the closing of the purchase of an Eligible Unit in respect of which APS Funding was transferred to the Service Manager, the Service Manager shall loan such transferred APS Funding to the relevant Eligible Purchaser for the sole purpose of financing the acquisition of the Eligible Unit (a "2016 **SIF Loan**").
- 4.2 The following terms shall be set out in the loan agreement between the Service Manager and the Eligible Purchaser with respect to each 2016 SIF Loan:
  - (a) Each 2016 SIF Loan shall be for a term equal to the Affordability Period and shall not bear interest other than as contemplated below;
  - (b) On the twentieth (20th) anniversary date of the date of the 2016 SIF Loan advance, provided the debtor is not in default under the terms of the loan, the principal under the 2016 SIF Loan shall automatically be forgiven;
  - (c) Upon an event of default under the 2016 SIF Loan, including the insolvency or bankruptcy of the debtor, a writ of execution against the debtor is or becomes binding against the Eligible Unit, the death of the debtor, a lease of the 2016 SIF Unit, the debtor ceasing to occupy the Eligible Unit as the debtor's sole and principal residence, a misrepresentation by the debtor relating to his or her eligibility, or the use of the proceeds of the 2016 SIF Loan for a purpose other than the acquisition of the Eligible Unit, the principal shall be repayable;
  - (d) If, during the period in which the 2016 SIF Loan is outstanding, the Eligible Unit is resold for more than the price at which it was acquired by the debtor, the principal shall be repayable. In addition, the debtor shall pay to the Service Manager an amount that is equal to the percentage that the 2016 SIF Loan is of the original purchase price of the Eligible Unit as applied to the differential between the current fair market value of the Eligible Unit and the original purchase price of the Eligible Unit. The fair

market value of the Eligible Unit shall be determined by the Service Manager, based on (i) the price at which the Eligible Unit was resold, if such transaction was an arm's length transaction or (ii) an independent appraisal commissioned by the Service Manager, if such transaction was not an arm's length transaction;

- (e) If, during the period in which the 2016 SIF Loan is outstanding, the Eligible Unit is resold for less than the price at which it was acquired by the debtor and the sale of the Eligible Unit was an arm's length transaction, the difference between the 2016 SIF Loan amount and the depreciated amount shall be repayable. If the depreciated amount is greater than the 2016 SIF Loan amount, the principal shall be forgiven;
- (f) If, during the period in which the 2016 SIF Loan is outstanding, the Eligible Unit is resold for less than the price at which it was acquired by the debtor and the sale of the Eligible Unit was not an arm's length transaction, the principal shall be repayable. In addition, the debtor shall pay to the Service Manager an amount that is equal to the percentage that the 2016 SIF Loan is of the original purchase price of the Eligible Unit as applied to any positive differential between the current fair market value of the Eligible Unit and the original purchase price of the Eligible Unit. The fair market value of the Eligible Unit shall be determined by the Service Manager based on an independent appraisal commissioned by the Service Manager;
- (g) If, during the period in which the 2016 SIF Loan is outstanding, the debtor leases the Eligible Unit, ceases to occupy the Eligible Unit as the debtor's sole and principal residence, a writ of execution against the debtor is or becomes binding against the Eligible Unit, the debtor becomes bankrupt or insolvent, the debtor misrepresents his or her eligibility, or the debtor uses the proceeds of the 2016 SIF Loan for a purpose other than the acquisition of the Eligible Unit, the debtor shall pay to the Service Manager an amount that is equal to the percentage that the 2016 SIF Loan is of the original purchase price of the Eligible Unit as applied to any positive differential between the current fair market value of the Eligible Unit and the original purchase price of the Eligible Unit. The fair market value of the Eligible Unit shall be determined by the Service Manager based on an independent appraisal commissioned by the Service Manager;
- (h) The debtor may repay all of the 2016 SIF Loan upon payment of an amount that is equal to the percentage that the 2016 SIF Loan is of the original purchase price of the Eligible Unit as applied to any positive differential between the current fair market value of the Eligible Unit and the original purchase price of the Eligible Unit. The fair market value of the Eligible Unit shall be determined by the Service Manager based on an independent appraisal commissioned by the Service Manager. The debtor shall not be permitted to prepay only part of the 2016 SIF Loan;

- (i) Notwithstanding anything to the contrary contained in the 2016 SIF Loan agreement, amounts payable under the 2016 SIF Loan agreement with respect to capital appreciation shall be considered to be accrued interest for the purposes of section 18 of the *Mortgages Act* and section 10 of the *Interest Act*, or any successor provisions, and shall not exceed the maximum amount of interest that does not violate applicable laws;
  - (j) The debtor shall be responsible for any processing charges associated with the discharge of a 2016 SIF Mortgage;
  - (k) Notwithstanding 4.2 (a) and (b), the Service Manager may set an Affordability Period greater than twenty (20) years, at the Service Manager's discretion.
- 4.3 If the Service Manager's contribution with respect to an Eligible Unit is equal to or greater than the amount of the Federal Funds provided by the Minister to the Service Manager in respect of the Eligible Unit, the Service Manager may require the debtor to provide it with a right of first refusal to acquire the Eligible Unit in the event that the owner of the Eligible Unit receives a bona fide offer to purchase the Eligible Unit from a third party. Any such right to acquire shall be for the fair market value of the Eligible Unit. Fair market value shall be determined by an independent appraisal commissioned by the Service Manager.
- 4.4 The provision of each 2016 SIF Loan shall be subject to the conditions precedent that:
- (a) title to the relevant Eligible Unit is encumbered by no registered restrictions, charges, liens and encumbrances other than Permitted Encumbrances;
  - (b) the relevant Eligible Purchaser has entered into a loan agreement with the Service Manager and provided the Service Manager with the registered mortgage documents contemplated by Section 5.1; and
  - (c) each representation, statement, declaration and all information provided to the Service Manager by the Eligible Purchaser regarding his or her eligibility and the eligibility of the relevant Unit is true and accurate as at the time it was given or made.
- If any of these conditions precedent have not been fulfilled on the date the 2016 SIF Loan is to be advanced, the Service Manager shall not make the 2016 SIF Loan.
- 4.5 Before the Service Manager advances the proceeds of a 2016 SIF Loan, the Service Manager shall have a title search conducted against the relevant Eligible Unit and obtain a legal opinion as to whether all conditions precedent to the advance of the 2016 SIF Loan have been satisfied.

- 4.6 The Service Manager shall ensure that each Unit in respect of which a 2016 SIF Loan is made is an Eligible Unit, and that each Purchaser to whom a 2016 SIF Loan is made is an Eligible Purchaser at the time the Service Manager enters into the loan agreement with the Purchaser.

## **5. SECURITY FOR 2016 SIF LOANS**

- 5.1 Each 2016 SIF Loan shall be secured by a mortgage registered against title to the relevant Eligible Unit. Prior to the advance of the 2016 SIF Loan by the Service Manager, the Eligible Purchaser will be required to provide the Service Manager with an executed registerable mortgage document in a form acceptable to the Service Manager and the Minister (a “**2016 SIF Mortgage**”). Each 2016 SIF Mortgage shall incorporate the terms of the 2016 SIF Loan as stated in Section 4.2, shall include a clause that provides that all monies that the Service Manager spends in recovering mortgage monies shall be added to the amount secured, and shall be registered against title to the relevant Eligible Unit immediately after registration of any mortgage securing the primary financing for the acquisition of the Eligible Unit.
- 5.2 The Service Manager shall, at its own expense, use commercially reasonable efforts to recover all monies owing to it under each 2016 SIF Mortgage. The Service Manager shall co-operate with the Minister with respect to pursuing the remedies available to the Service Manager under 2016 SIF Mortgages.

## **6. REVOLVING LOAN FUND**

- 6.1 If the Service Manager has not already established a Revolving Loan Fund, the Service Manager agrees to do so and maintain the Revolving Loan Fund for the period of twenty (20) years from the date of this Administration Agreement. All monies received by the Service Manager as a result of (i) a resale of an Eligible Unit prior to the end of the term of the 2016 SIF Loan, (ii) a default under the 2016 SIF Loan or 2016 SIF Mortgage, or (iii) the repayment of the principal of a 2016 SIF Loan prior to the end of its term, shall be transferred to the Revolving Loan Fund and used in accordance with the purposes of the Revolving Loan Fund.
- 6.2 All interest accrued on amounts held in the Revolving Loan Fund shall be used by the Service Manager for the purposes of administering and delivering Affordable Housing.
- 6.3 If the Service Manager establishes a Revolving Loan Fund in accordance with this Schedule, and the Service Manager wishes to terminate the Revolving Loan Fund after the fifteenth (15th) annual anniversary of the date of the Administration Agreement, the Service Manager shall submit to the Minister a plan pertaining to the phasing out of the Revolving Loan Fund. The Revolving Loan Fund shall be terminated only in accordance with a phase out plan that has been approved by the Minister. At the end of the phase out period, all amounts in the Revolving

Loan Fund shall be paid to the Minister or, upon agreement by the Minister, allocated by the Service Manager to financing acquisitions of Affordable Housing.

## **7. REPORTING REQUIREMENTS**

7.1 For the twenty (20) year period following the date of the Administration Agreement or for the period in which any 2016 SIF Loans are still outstanding, which ever is longer, the Service Manager shall, between April 1 and April 15 in each year, provide the Minister with the following:

- (a) a report in the form of Appendix C confirming (i) how the APS Funding was used; (ii) any resale of an Eligible Unit funded pursuant to this Schedule; (iii) any default under a 2016 SIF Loan or 2016 SIF Mortgage; (iv) any repayment of a 2016 SIF Loan prior to the end of its term; and (v) all contributions and withdrawals from the Revolving Loan Fund.
- (b) copies of any 2016 SIF Loan agreements and 2016 SIF Mortgages relating to loans referred to in the above report.

7.2 During the period following the date of execution of this Agreement and the end of the Program, the Service Manager shall provide the Minister by July 15, October 15, December 15 and March 15 of each year with a quarterly updated Program Delivery and Fiscal Plan, indicating the amount of Program Funding approved and the number of Program Units committed.

7.3 Section 7.1 shall survive any termination of this Schedule.

## **8. MARKETING**

8.1 Subject to section 8 of the Administration Agreement, the Service Manager shall promote and advertise the Program in the Service Manager's area as the Service Manager deems appropriate.

## **9. EDUCATION AND TRAINING**

9.1 The Service Manager shall ensure that educational materials and/or training sessions are offered to all Eligible Purchasers of Eligible Units on the home buying experience, including financial guidance concerning the up-front and on-going costs of homeownership, and on the obligations and benefits of being a homeowner.

## **10. REMEDIES**

10.1 If the Service Manager breaches any one or more of the provisions of this Schedule, and the breach is not corrected within a reasonable period of time (as



determined by the Minister) after notice has been given to the Service Manager by the Minister, the Minister may, by written notice to the Service Manager,

- (a) terminate this Schedule;
- (b) demand repayment of any APS Funding in the possession or control of the Service Manager which has not been advanced to an Eligible Purchaser;
- (c) demand immediate repayment of all amounts paid by the Minister to the Service Manager under this Schedule that relate to the Eligible Unit in respect of which the breach occurred;
- (d) demand repayment of all or part of the aggregate of all monies advanced to the Service Manager under this Schedule;
- (e) cancel all further payments of APS Funding; and/or
- (f) suspend further payments of APS Funding for such period as the Minister may determine.

The Service Manager shall comply with a demand referred to in clause (d) and (e) irrespective of whether it has loaned any of the relevant amounts to an Eligible Purchaser.

## **11. GENERAL**

- 11.1 The Homeownership Component is available from the date of the Service Manager Administration Agreement until March 31, 2018.
- 11.2 The Service Manager may engage a third party subcontractor to assist it in the performance of this Agreement. Such assistance shall be limited to but may include the provision of the 2016 SIF Loans to Eligible Purchasers, the taking of 2016 SIF Mortgages and the establishment and administration of the Revolving Loan Fund, in each case, by the third party subcontractor but otherwise in accordance with this Schedule. Notwithstanding any such arrangement, the Service Manager shall remain in possession and control of all APS Funding until such funds are advanced to or on behalf of an Eligible Purchaser in connection with the purchase of an Eligible Unit, and shall remain directly responsible to the Minister under and for the performance of this Schedule. The Service Manager shall also ensure that any third party subcontractor is bound by the same terms and conditions relating to the assistance to be provided by it as are binding on the Service Manager under this Schedule. The procurement of any such third party subcontractor shall be done in accordance with the procurement policies of the Service Manager.
- 11.3 The Service Manager may enter into an agreement with a private or non-profit developer pursuant to which (i) the developer agrees to make a certain number of Units in a development owned by the developer available to the public as Eligible

Units and to market such Units as Units available under the Program, subject to the requirements of section 8 of the Administration Agreement, and (ii) the Service Manager agrees to make 2016 SIF Loans available to Eligible Purchasers of such Eligible Units.

- 11.4 The disbursement of APS Funding by the Minister to the Service Manager under Section 3.1 is subject to the necessary appropriations from the Federal Parliament and the Provincial Legislature. Neither the Minister nor CMHC shall have any liability in the event the respective appropriations are insufficient to meet the funding obligations of the Minister.
- 11.5 The Service Manager agrees to maintain the records and documentation that it is required to maintain under the Program Guidelines for the time period set out in the Program Guidelines.

## APPENDIX A

### PURCHASER ELIGIBILITY CRITERIA

Each person seeking to be approved as an Eligible Purchaser must meet each of the following criteria at the time he or she applies for such approval:

- (a) The individual must be at least eighteen (18) years old;
- (b) The individual can neither own a home nor have an ownership interest in a home other than a contingent interest;
- (c) The individual cannot be living in a spousal relationship (including a same-sex spousal relationship) with a person who owns a home or who has an ownership interest in a home other than a contingent interest;
- (d) The individual must be vacating a residential tenancy and must agree not to lease the Eligible Unit for the duration of the 2016 SIF Mortgage;
- (e) Subject to clause (f) below, the total income of all members of the individual's household cannot exceed the sixtieth (60<sup>th</sup>) percentile of income for the Service Manager area, as provided by the Minister, or for Ontario, whichever is lower. For the purposes of this Agreement, the household of an individual shall be deemed to include and be limited to (i) the individual; (ii) any person with whom the individual is living in a spousal relationship (including a same-sex spousal relationship); and (iii) any person over the age of eighteen (18) expected to be residing with the individual at the time of first occupancy of the Unit;
- (f) The income limits set out in clause (e) may be adjusted annually by the Minister based on census data indexed on the Consumer Price Index as published by Statistics Canada from time to time or for other reasons as the Minister may determine but in any event shall not exceed the sixtieth (60<sup>th</sup>) income percentile for all households in Ontario;
- (g) The individual's application for financial assistance must be supported by (i) two (2) pieces of original photo identification, (ii) an original notice of income tax assessment or other equally reliable evidence of income and (iii) a declaration that all information provided in the application is true and correct;
- (h) The individual agrees to secure his or her own primary financing for the purchase of the Eligible Unit;
- (i) Such other criteria as the Service Manager may establish.

## APPENDIX B

### UNIT ELIGIBILITY CRITERIA

To be an Eligible Unit (within the meaning of this Schedule), a Unit must satisfy each of the following requirements:

- (a) It must be a Unit that either has not been previously occupied and to which the *Ontario New Home Warranties Plan Act* applies, including a Unit that has been converted from non-residential to residential use, or a Unit that is offered for resale, provided a home inspection is undertaken by a qualified inspector agreed to by the Purchaser and the Service Manager, at the Purchaser's expense. The results of the inspection must be wholly satisfactory to the Purchaser and the Service Manager;
- (b) The selling price of the Unit must be at or below the average resale price for the Service Manager area, as provided by the Minister;
- (c) The Unit may be detached, semi-detached, town (condominium and freehold), a duplex, a stacked home, a row house, an apartment or such other forms as may be approved by the Minister. The Unit must be modest in size, relative to community norms, in terms of floor area and amenities, as determined by the Service Manager;
- (d) Such other requirements as are set out in the Program Guidelines and/or as the Service Manager may establish.

## 2016 SIF HOMEOWNERSHIP ANNUAL REPORT

GOS Reference No.	Purchaser Name	Client Type <sup>1</sup>	Target Group <sup>2</sup>	2016 SIF Loan Amount	Mortgage Registration No.	Date Security Registered on Title	Closing Date	Project Status
<b>TOTAL</b>								

GOS Reference No.	Eligible Unit Address	Original Purchase Price	Resale / Fair Market Value	2016 SIF Loan Amount	Total Amount Repaid	Date Repayment Received	Date of Closing	Reason for Repayment
<b>TOTAL</b>								

GOS Reference No	Purchaser Name	Client Type <sup>1</sup>	Target Group <sup>2</sup>	Eligible Unit Address	Type of Unit <sup>3</sup>	Purchase Price	Loan Amount	Closing Date	Date Security Registered on Title
<b>TOTAL</b>									

Balance (\$) of the RLF as of Last Report [date]: \_\_\_\_\_

Balance (\$) of the RLF as of Current Report [date]: \_\_\_\_\_

**Legend for Reporting Requirements**

1. **Client type** - Family, Single
2. **Target Group** - Senior, Aboriginal, Persons with Disabilities
3. **Type of Unit** - Single, Semi-detached, Condo town, Freehold town, Row house, Duplex, Condo, Other

**Additional Comments:**

[Insert any comments applicable to specific loans]

**Certification:**

I certify, to the best of my knowledge, that the information provided above is true and correct, and that the active projects listed above continue to be in compliance, unless noted in the Additional Comments section.

\_\_\_\_\_  
Name of Service Manager

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

**SCHEDULE C**  
**2016 SOCIAL INFRASTRUCTURE FUND**  
**Ontario Renovates Component**

**1. INTERPRETATION**

1.1 In this Schedule, unless the context requires otherwise, the following items have the meanings set out in this section:

- **“Administration Agreement”** means the Administration Agreement between the Minister and the Service Manager to which this Schedule forms a part;
- **“Affordability Period”** means the period during which the Project is required to be affordable, as determined in accordance with the Program Guidelines or as otherwise established by the Minister;
- **“Affordable Housing”** means Housing which is modest in terms of floor area and amenities, based on household needs and community norms, in Projects that achieve market values or rent levels in accordance with the Program Guidelines, but does not include residential premises used as a nursing home or any other type of similar facility;
- **“Average Market Rents”** means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the Minister, based on available data, in areas where there is no information from the CMHC Average Market Rent Survey;
- **“Contributions by Others”** means cash or in-kind eligible contributions from Service Managers, municipalities, housing providers, the private sector, the voluntary sector, homeowners, charities and individual donors, to be used in accordance with a Program or Programs under this Agreement. Contributions by Others does not include: contributions from any Government of Canada sources, including, but not limited to arrangements with CMHC; nor contributions under any program wholly or partially funded from Government of Canada sources; nor contributions which receive credit under any arrangement with CMHC or the Government of Canada outside this Agreement;

- **“Development Activities”** means those activities which are normally undertaken for the repair, renovation or rehabilitation of buildings for residential purposes;
- **“Federal Funding”** means funding from CMHC for a Unit, as set out in the Program Guidelines;
- **“Funding”** means Federal Funding and/or Provincial Funding, as set out in the Program Guidelines;
- **“Funding Agreement”** means an agreement entered into by the Service Manager and an approved Proponent for contributions for a Multi-Unit Rehabilitation project;
- **“Funding Schedule”** means the schedule of funding for the type of Project to be undertaken by a Proponent, as set out in the Funding Agreement or the Letter of Agreement;
- **“Home Repair Project”** means a Project which is the principal residence of a qualified eligible household that owns the Housing, to which health and safety upgrades including major repairs, rehabilitation or accessibility modifications are made, and where a house is overcrowded, includes additions to the Housing, as set out in the Program Guidelines;
- **“Housing”** means residential accommodation and facilities, common areas and services used directly with the residential accommodation. Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;
- **“Letter of Agreement”** means an agreement that may be in the form of a letter signed by the Service Manager and Proponent that is approved for contributions for a Home Repair Project;
- **“Mortgage”** means a forgivable mortgage in favour of the Service Manager that is required to be taken out where the costs of the labour and materials used in the construction, repair, or rehabilitation of the Project are over \$25,000. The mortgage may, at the discretion of the Service Manager, be taken out where such costs are under \$25,000. The mortgage must be in a form satisfactory to the Service Manager and the Minister. The principal of the mortgage will be equal to the Funding provided for labour and materials and other costs approved by the Minister, including but not limited to building permit fees, inspection fees, appraisal fees, drawings and specification fees and applicable taxes. An amount of up to \$5,000 in accessibility repairs shall be in the form of a



contribution that does not require an affordability period and shall not be included in the principal amount of the mortgage;

- **“Multi-Unit Rehabilitation Project”** means a Project that is not a Home Repair Project that is operated in accordance with the Program Guidelines and eligible for repairs or renovations in accordance with Program Guidelines;
- **“Occupancy Date”** means the date on which the Development Activities have been completed;
- **“Ontario Renovates Component”** means the Ontario Renovates Component described in the Program Guidelines;
- **“Procurement Process”** means the request for proposals or procurement process used by the Service Manager;
- **“Program”** means the Ontario Renovates Component described in the Program Guidelines;
- **“Program Guidelines”** means the Program Guidelines for the 2016 SIF Components;
- **“Project”** means Affordable Housing proposed or approved for the Program, as the context may require;
- **“Project Information Form”** means the form or format submitted by the Service Manager to the Minister as evidence of Funding take-up;
- **“Promissory Note”** means the forgivable promissory note signed by the Proponent in favour of the Service Manager where the costs of the labour and materials used for the construction, repair or the rehabilitation of the Project is \$25,000 or less and where no Mortgage has been taken out. The amount of the Promissory Note will be equal to the Funding provided for labour and materials and other costs approved by the Minister, including but not limited to building permit fees, inspection fees, appraisal fees, drawings and specification fees and applicable taxes. An amount of up to \$5,000 in accessibility repairs shall be in the form of a contribution that does not require an affordability period and shall not be included in the principal amount of the promissory note;
- **“Proponent”** means a person or other legal entity that has submitted a Proposal, including but not limited to homeowners and landlords;

- **“Proposal”** means the response to the request for proposals or procurement process, submitted to the Service Manager pursuant to the Procurement Process;
- **“Provincial Funding”** means funding from Ontario for a Unit, as set out in the Program Guidelines;
- **“Secondary Suite”** means a self-contained unit within an existing home or on the property lot of a single family home, as set out in the Program Guidelines;
- **“Security Documents”** means a Mortgage or Promissory Note, as the context may require;
- **“Shelter Bed Unit”** means a unit or bed in a shelter that houses victims of domestic violence;
- **“Unit”** means a self-contained residential dwelling, including, without limiting the generality of the foregoing, (i) multi-bedroom units which are used for congregate living; (ii) disabled/accessible units; (iii) Secondary Suites and (iv) Shelter Bed Units.

1.2 The following Appendices are attached to and form part of this Schedule:

- |              |  |
|--------------|--|
| Appendix A   | - Proponent's Post-Repair Occupancy Report;                          |
| Appendix B   | - Proponent's Annual Occupancy Report;                               |
| Appendix C-1 | - Service Manager's Annual Report - Affordability Period;            |
| Appendix C-2 | - Service Manager's Annual Report - Repayment;                       |
| Appendix C-3 | - Service Manager's Annual Report - Projects Funded From Repayments; |
| Appendix D   | - Rental Protocol.   |

1.3 In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.

1.4 All references in this Schedule to section numbers are references to sections of this Schedule unless stated otherwise.

## **2. PAYMENTS BY THE MINISTER**

2.1 The Minister shall transfer funds electronically on a quarterly basis to the Service Manager, based on their approved Program Delivery and Fiscal Plan (“PDFP”) and actual Funding take-up.

2.2 Payments will be made to the Service Manager within fifteen (15) days following the submission of the Service Manager's quarterly updated Program Delivery and Fiscal Plan, as set out in section 4.5.

### **3. RECONCILIATION**

- 3.1 Once an eligible Project has been approved by the Service Manager, a completed Project Information Form, along with the appropriate Security Documents and Funding Agreement or Letter of Agreement, whichever is required, must be submitted in GOS to confirm Program take-up.
- 3.2 The Service Manager is responsible for Project selection and approval, monitoring progress and completion of Projects, quality of work and for the advancement of funds. The Service Manager must ensure the status of each Project is updated in GOS. In the event details of each Project are not updated as required, payments to the Service Manager may be reduced.
- 3.3 The Minister will monitor the progress of the Service Manager under the Program on GOS throughout the year. In particular, the Minister will review progress at the end of the third (3<sup>rd</sup>) quarter of each fiscal year. The Minister may reallocate Funding in the event a Service Manager has not demonstrated take-up of ninety per cent (90%) or more of their yearly Ontario Renovates allocation by the end of the third (3<sup>rd</sup>) quarter.

### **4. ADMINISTRATION**

- 4.1 In conjunction with the approval of each Project, the Service Manager shall arrange for an appropriate form of Funding Agreement or Letter of Agreement to be executed, and shall register appropriate Security Documents, prior to forwarding Funding to the Proponent.
- 4.2 A Funding Agreement or Letter of Agreement under this Schedule cannot be signed after March 31, 2018, or such earlier date as may be determined by the Minister and communicated by the Minister to the Service Manager by notice in writing.
- 4.3 Construction for each Project must commence within three (3) months of the date of the Funding Agreement or Letter of Agreement. If construction for a Project has not commenced within three (3) months of such date, the Minister may cancel the Funding for the Project.
- 4.4 The Service Manager shall monitor all Projects which have received a funding allocation to determine whether the Proponents carry out all Development Activities required in the Procurement Process or proposed in or intended by the Proposal and whether they are carrying out such Development Activities in such manner and within two (2) years of the date of the Funding Agreement or Letter of Agreement or such additional time as may be determined by the Minister in the event of extenuating circumstances. Service Managers are required to provide consideration to the employment of apprentices in the renovation of Multi-Unit Rehabilitation projects during the Procurement Process.

- 4.5 If requested by the Minister, the Service Manager shall obtain from the Proponent and shall forward to the Minister, a financial statement respecting the expenditure of the Funding provided to the Proponent, within ninety (90) days or such additional time as may be determined by the Minister, following the date on which the Minister is advised by the Service Manager that the Project will not proceed or that the Development Activities related to the Project have been fully completed.
- 4.6 During the period following the date of execution of this Agreement and the end of the Program, the Service Manager shall provide the Minister by July 15, October 15, December 15 and March 15 of each year with a quarterly updated Program Delivery and Fiscal Plan, indicating the amount of Program Funding approved and the number of Program Units committed.
- 4.7 During the period between the date of execution of this Agreement and the Occupancy Date of all of the Projects, the Minister and the Service Manager shall collaboratively review annually during the month of April the progress of utilization of the Funding by the Proponents at their respective Projects on the basis of the reports submitted pursuant to Appendices C-1, C-2 and C-3.
- 4.8 The Service Manager acknowledges that the Minister is required to report to CMHC under the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014, as amended, and that, in order to fulfill the said reporting requirements, it will be relying on the materials provided to it pursuant to sections 4.6, 4.10 and 4.11, and on the collaborative review of these materials pursuant to section 4.7.
- 4.9 The Service Manager shall provide the Minister with actual Project costs and proof that the Development Activities have been completed. The Minister reserves the right to reduce a future payment if such information has not been provided.
- 4.10 Upon initial occupancy of a Multi-Unit Rehabilitation Project, the Service Manager shall obtain from each Proponent the Proponent's Post-Repair Occupancy Report in the form attached to this Agreement as Appendix A, and submit it to the Minister.
- 4.11 During the period between the Occupancy Date of each Project and the end of the Affordability Period, the Service Manager shall:
  - (a) obtain annually from each Proponent for all Multi-Unit Rehabilitation Projects, a completed information report, in the form attached to this Agreement as Appendix B, and submit to the Minister; and
  - (b) complete and submit to the Minister, on or before April 15<sup>th</sup> subsequent to each reporting fiscal year, a report on all of the said funded Projects, in the forms attached to this Agreement as Appendices C-1, C-2 and C-3.

- 4.12 The Service Manager shall comply with the provisions of the *Construction Lien Act*.
- 4.13 The Service Manager shall immediately inform the Minister in writing of the following matters as soon as it becomes aware of them:
- (a) any failure by the Proponent to carry out all the Development Activities required in the Program Guidelines or any failure to carry out such Development Activities in such manner and within such time periods as are set out in the Program Guidelines or as may be determined by the Minister;
  - (b) if the Development Activities have not been completed within two (2) years of the date of the Funding Agreement or Letter of Agreement;
  - (c) any breach by the Proponent of its Letter of Agreement or Funding Agreement, as applicable, with the Service Manager;
  - (d) the Proponent becoming bankrupt or insolvent or taking the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors or filing any proposal or making any assignment for the benefit of creditors or any arrangement or compromise;
  - (e) the death of the Proponent in respect of Home Repair Projects;
  - (f) the appointment of a receiver or a receiver and manager for all or a portion of a Project; and
  - (g) the taking of any steps or any action or the institution of any proceedings by a Proponent or by any other party, including, without limitation, any court or governmental body of competent jurisdiction for the dissolution, winding up or liquidation of the Proponent or its assets.
- 4.14 The Service Manager shall, on forty-eight (48) hours prior written notice, give the Minister free access to such staff, documents, books, records and accounts as may be determined by the Minister, for the purpose of verifying compliance with this Agreement.
- 4.15 The Minister may conduct an audit, investigation or inquiry in relation to a Project or any larger development or project of which any Project is a part and the Service Manager shall co-operate with the Minister and shall provide free access to such staff, documents, books, records and accounts as may be determined by the Minister.
- 4.16 The provisions of sections 4.14 and 4.15 shall continue to apply for a period of seven (7) years following the end of the Affordability Periods for all of the Projects or the date of any early termination of this Agreement.

- 4.17 The Service Manager shall enter into a Funding Agreement or Letter of Agreement with the Proponent in relation to each Project which requires the Proponent to comply with the requirements of the Program and imposes on the Proponent such obligations as enable the Service Manager to fulfill its obligations to report to the Minister.
- 4.18 The Service Manager represents that it has not knowingly provided the Minister with any false or misleading information respecting the subject matter of this Agreement and agrees that it shall not knowingly provide any false or misleading information to the Minister in the performance of its obligations under this Agreement.
- 4.19 The maximum Funding for a Unit shall not exceed \$50,000.
- 4.20 The Service Manager shall enforce the terms of all Promissory Notes and Mortgages which it receives. If the Service Manager receives repayment of any monies pursuant to any Promissory Notes or Mortgages, it shall use such Funding for carrying out Development Activities under this Agreement within the geographical limits of this Agreement. The Service Manager shall report to the Minister on or before each April 15th, until the expiry of all Promissory Notes and Mortgages, details respecting all sums that became due under the Promissory Notes and Mortgages and the amounts recovered and expended, together with a description of the work, and its location, carried out with such recovered Funding in the forms attached as Appendices C-1, C-2 and C-3. If the Service Manager does not comply with the requirements of this section within a reasonable period, all monies which it has recovered and not spent under this section shall become due and payable to the Minister to the extent that such monies originally constituted Funding.
- 4.21 The Promissory Note or Mortgage shall be forgiven in accordance with the Program Guidelines.
- 4.22 The Service Manager may enter into an arrangement with a delivery agent to perform all or some of its duties and obligations under this Agreement. However, under any such arrangement, Promissory Notes or Mortgages shall be taken out in favour of the Service Manager and not the delivery agent. The delivery agent will ensure that the Development Activities are completed either directly or through a contractor, who will enter into a contract with the owner. Notwithstanding such arrangements, the Service Manager remains directly responsible and the Minister will relate to and look to the Service Manager alone in regard to the duties and obligations under this Agreement. The Service Manager shall also ensure that any delivery agent is bound by the same terms and conditions relating to the arrangement as are set out in this Agreement.

## **5. REMEDIES**

- 5.1 If the Service Manager breaches any one or more of the provisions of this Schedule, and the breach is not corrected within a reasonable period of time (as determined by the Minister) after notice has been given to the Service Manager by the Minister, the Minister may, by written notice to the Service Manager:
- (a) terminate this Schedule;
  - (b) demand immediate repayment of all or any portion of the Administration Fees paid by the Minister to the Service Manager;
  - (c) demand immediate repayment of all or part of any Funding in the possession or control of the Service Manager that has not been used for a Project;
  - (d) demand immediate repayment of all or any part of the monies paid by the Minister to the Service Manager under this Schedule;
  - (e) demand immediate repayment of all amounts paid by the Minister to the Service Manager under this Schedule that relate to the Project in respect of which the breach occurred;
  - (f) cancel all further payments of Funding; and/or
  - (g) suspend further payments of Funding for such period as the Minister may determine appropriate.

The Service Manager shall comply with a demand referred to in clause (d) and/or (e), irrespective of whether it has used any of the relevant amounts for a Project.

## **6. GENERAL**

- 6.1 The Ontario Renovates Component is available from the date the Service Manager Administration Agreement is executed, until March 31, 2018.
- 6.2 The Service Manager acknowledges and agrees that the Rental Protocol set out in Appendix D applies to all Multi-Unit Rehabilitation Projects by virtue of the contractual terms of this Agreement, notwithstanding that the Rental Protocol may not apply to Multi-Unit Rehabilitation Projects under the *Residential Tenancies Act, 2006*, and shall ensure that the Proponent agrees in writing that Appendix D applies to its Multi-Unit Rehabilitation Project.
- 6.3 The headings and subheadings contained in this Schedule are inserted for convenience and for reference only and in no way define, limit or describe the scope or intent of this Schedule or form part of this Schedule.

**APPENDIX A**  
**2016 SIF IAH - ONTARIO RENOVATES COMPONENT**  
**PROPONENT'S POST-REPAIR OCCUPANCY REPORT**

Unit Type	Total Funded Units	Actual Rent to be Charged per Month	CMHC Average Market Rent (AMR)
Bachelor			
1 Bedroom			
2 Bedroom			
3 Bedroom			
4 Bedroom			
Other			

Confirmation of Employment of Apprentices <sup>1</sup>	
Number of Participants	Trades*
<b>*Trades List:</b> <ul style="list-style-type: none"> <li>• Brick and Stone Mason</li> <li>• Cement (Concrete) Finisher</li> <li>• Construction Craft Worker</li> <li>• Drywall Finisher and Plasterer</li> <li>• Electrician - Domestic and Rural</li> <li>• Exterior Insulated Finish Systems Mechanic</li> <li>• Floor Covering Installer</li> <li>• General Carpenter</li> <li>• Heat and Frost Insulator</li> <li>• Native Residential Construction Worker</li> <li>• Painter and Decorator</li> <li>• Plumber</li> <li>• Residential Air Conditioning Systems Mechanic</li> <li>• Roofer</li> <li>• Sprinkler and Fire Protection Installer</li> <li>• Terrazzo, Tile and Marble Setter</li> <li>• Other (Specify): _____</li> </ul>	

Description of Activities/Initiatives Taken to Encourage Apprenticeships <sup>1</sup>

**Note:**

1. Not required for projects funding the creation of Secondary Suites



**Project Certification**

I certify, to the best of my knowledge, that the information provided above is true and correct. I hereby authorize the \_\_\_\_\_ **[Insert SM]** to review the rent roll from appropriate source(s) if deemed necessary.

---

Signature

---

Date

---

Print Name

---

Position

**APPENDIX B**  
**2016 SIF IAH- ONTARIO RENOVATES COMPONENT**  
**PROPONENT'S ANNUAL OCCUPANCY REPORT**

Unit Type	Total Funded Units	Previous Year (20xx)		Current Year (20xx)		
		Actual Rent per Unit per Month	RTA Permitted Increase per Unit	Actual Rent per Unit per Month	Actual Rent Increase	CMHC Average Market Rent
1 Bedroom						
2 Bedroom						
3 Bedroom						
4 Bedroom						
Other						

**Project Certification**

I certify, to the best of my knowledge, that the information provided above is true and correct. I authorize the \_\_\_\_\_ **[Insert SM]** to review the rent roll from appropriate source(s) if deemed necessary.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position

**APPENDIX C-1**  
**2016 SIF IAH – ONTARIO RENOVATES COMPONENT**  
**ANNUAL REPORT – AFFORDABILITY PERIOD**

Service Manager: \_\_\_\_\_

Reporting Period: \_\_\_\_\_

GOS REFERENCE NUMBER	NAME OF HOMEOWNER / PROPONENT	CLIENT TYPE	TARGET GROUP	PROJECT ADDRESS	COMPLETION DATE	SIF FUNDING		CONTRIBUTION BY OTHERS
						Number of Units	Amount (\$)	
Total						0	0.00	0.00

Additional Comments:

I certify, to the best of my knowledge, that the information provided above is true and correct, and that the active projects listed above continue to be in compliance, unless noted in the Additional Comments section.

Prepared By: \_\_\_\_\_  
 Print Name and Title                      Signature

Approved By: \_\_\_\_\_  
 Print Name and Title                      Signature

Date Submitted: \_\_\_\_\_



**APPENDIX C-3**  
**2016 SIF IAH – ONTARIO RENOVATES COMPONENT**  
**ANNUAL REPORT – PROJECTS FUNDED FROM REPAYMENTS**

Service Manager: \_\_\_\_\_

Reporting Period: \_\_\_\_\_

GOS REFERENCE NUMBER	NAME OF HOMEOWNER / PROPONENT	CLIENT TYPE	TARGET GROUP	PROJECT ADDRESS	DESCRIPTION OF WORK	APPROVAL DATE	NUMBER OF UNITS (#)	FUNDING AMOUNT (\$)
<b>Total</b>							<b>0</b>	<b>0.00</b>

Additional Comments:

I certify, to the best of my knowledge, that the information provided above is true and correct, and that the active projects listed above continue to be in compliance, unless noted in the Additional Comments section.

Prepared By: \_\_\_\_\_  
 Print Name and Title

Signature \_\_\_\_\_

Approved By: \_\_\_\_\_  
 Print Name and Title

Signature \_\_\_\_\_

Date Submitted: \_\_\_\_\_

## APPENDIX D

### RENTAL PROTOCOL

#### 1. DEFINITIONS

1.1 In this Appendix D, unless the context requires otherwise,

- **“Affordability Period”** means the minimum “fifteen (15) year period” following the date of the first (1st) occupancy of a Unit in the Project;
- **“Agreement”** means the Agreement to which this Appendix D is attached;

when used in this Appendix D, the term “rent” includes the amount of any consideration paid or given or required to be paid or given by or on behalf of a tenant to the Proponent or the Proponent's agent for the right to occupy a Unit and for any services and facilities and any privilege, accommodation or thing that the Proponent provides for the tenant in respect of the occupancy of the Unit, whether or not a separate charge is made for services and facilities or for the privilege, accommodation or thing.

- 1.2 The definitions in the Agreement shall apply to this Appendix D, in addition to the definitions contained in section 1.1 above.
- 1.3 All references to section numbers in this Appendix are references to sections of the Appendix and not sections of the Agreement, unless otherwise explicitly stated.

#### 2. AFFORDABLE RENT

- 2.1 During the Affordability Period, the Proponent shall not charge rent for a Unit in the Project in excess of the affordable rent permitted under this Appendix D nor increase any rent charged for a Unit except as permitted in this Appendix D.

#### 3. RENTS

- 3.1 The rent of all Units in a Project for which Program Funding has been utilized shall not exceed CMHC Average Market Rents in the geographical area, as determined in the most recent CMHC Annual Rental Market Survey.
- 3.2 The Service Manager shall ensure that the total rent payments to a Proponent, including rent paid by the tenant and any Rent Supplement paid by the Service Manager or other party, shall not exceed one hundred per cent (100%) of CMHC Average Market Rents in the geographical area, as determined in the most recent CMHC Annual Rental Market Survey

- 3.3 In areas where there is no or insufficient information from the CMHC Average Market Rent Survey, average market rents will be determined by the Minister, based on available data.

#### **4. RENT INCREASES**

- 4.1 The Proponent may increase the rent charged under sections 3.1, 3.2 and 3.3 with respect to a Unit only if at least twelve (12) months have elapsed,
- (a) since the day of the last rent increase respecting the Unit, if there has been an increase, or
  - (b) since the day the Unit was first rented for the first (1st) rental period following the completion of the Development Activities in connection with the Project.
- 4.2 The Proponent shall not increase the rent pursuant to section 4.1 during the Affordability Period by more than the then prevailing rent increase guideline established for each calendar year pursuant to the *Residential Tenancies Act, 2006* or any successor legislation. The Proponent acknowledges that the rent increase guideline of the *Residential Tenancies Act, 2006* or any successor legislation, may not apply to the Project pursuant to that Act and its regulations and agrees that the rent increase guideline applies by virtue of the contractual terms of the Agreement and this Appendix D.

#### **5. AFTER AFFORDABILITY PERIOD**

- 5.1 After the end of the Affordability Period, the Proponent shall be permitted to rent Units in the Project to new tenants at rents agreed to by the Proponent and the new tenants.





## SCHEDULE D

### 2016 SOCIAL INFRASTRUCTURE FUND

#### Operating Component

#### 1. INTERPRETATION

1.1 In this Schedule, unless the context requires otherwise, the following terms have the meanings set out in this Section.

- **“2016 SIF IAH Components”** has the meaning given to it in the main body of the Administration Agreement;
- **“Administration Agreement”** means the Administration Agreement between the Minister and the Service Manager to which this Schedule forms a part;
- **“Average Market Rents” (“AMRs”)** means the average rent figures, based on geographical areas and classified by bedroom count, as determined annually in the CMHC Average Market Rent Survey or as determined by the Minister, based on available data, in areas where there is no or insufficient information from the CMHC Average Market Rent Survey;
- **“Eligible Landlord”** means a Private Landlord, Non-Profit Landlord, or Cooperative Housing Landlord that owns the Unit to which the Rent Supplement is applied;
- **“Eligible Renter Household”** means a household that either is on or is eligible to be on a social housing waiting list; that is leasing a Unit; that does not own a home suitable for year-round occupancy; and that meets the criteria in the Program Guidelines and in Appendix B;
- **“Eligible Unit”** means a Unit that meets the Unit Eligibility Criteria in the Program Guidelines and in Appendix A;
- **“Household Eligibility Criteria”** means the criteria set out in Appendix B;
- **“Household Income Limits” (“HILs”)** means the highest incomes that renter households can have and still remain eligible for the program, based on geographical areas and classified by bedroom count, in accordance with the annually updated HILs in Ontario Regulation 370/11, made under the *Housing Services Act, 2011*;
- **“Housing”** means residential accommodation and facilities, common areas and services used directly with the residential accommodation.

Housing does not include commercial or institutional premises, social or recreational services, and services or facilities related to mental or physical health care, education, corrections, food services, social support or public recreation;

- **“Housing Allowance”** is a monthly subsidy paid directly to an Eligible Renter Household. Under the Housing Allowance Shared Delivery Stream, at the discretion of the Service Manager, and upon request from the Eligible Renter Household, the Housing Allowance may be paid to the landlord on behalf of the Eligible Renter Household.
- **“Housing Allowance Application Form”** means an application form designed by the Service Manager or another delivery agent that meets the criteria described in Appendix C, and that a Program applicant must submit to the Service Manager or another delivery agent to be considered for a monthly subsidy (“Housing Allowance”) under the Program;
- **“Housing Allowance Direct Delivery Stream”** means the Housing Allowance Direct Delivery Stream described in the Program Guidelines as one (1) of the three (3) streams of the Operating Component;
- **“Housing Allowance Shared Delivery Stream”** means the Housing Allowance Shared Delivery Stream described in the Program Guidelines as one (1) of the three (3) streams of the Operating Component;
- **“Landlord”** means one of the following: Private Landlord; Non-Profit Landlord; or Cooperative Housing Landlord;
- **“Landlord Agreement”** means one of the following agreements: Private Landlord Agreement; Non-Profit Landlord Agreement; Cooperative Housing Landlord Agreement; and includes any other Agreement between the Service Manager and the Landlord that meets the Program Guidelines;
- **“Operating Component”** means the Operating Component described in the Program Guidelines and consisting of three (3) streams: Rent Supplement Stream, Housing Allowance Direct Delivery Stream, and Housing Allowance Shared Delivery Stream;
- **“Program”** means the Operating Component, as set out in the Program Guidelines;
- **“Program Guidelines”** means the Program Guidelines for the 2016 SIF Components;
- **“Rent Supplement”** is a subsidy paid to the Landlord on behalf of an Eligible Renter Household;

- **“Rent Supplement Stream”** means the Rent Supplement Stream described in the Program Guidelines as one (1) of the three (3) streams of the Operating Component;
- **“Unit”** means a self-contained residential dwelling or shared accommodation that meets the eligibility criteria outlined in the Program Guidelines and in Appendix A; and
- **“Unit Eligibility Criteria”** means the criteria set out in Appendix A.

1.2 The following Appendices are attached to and form part of this Schedule:

Appendix A - Unit Eligibility Criteria

Appendix B - Household Eligibility Criteria

Appendix C - Housing Allowance Application Process and Form

Appendix D – Contribution Agreement

1.3 In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.

1.4 All references in this Schedule to section numbers are references to sections of this Schedule unless stated otherwise.

1.5 All references in this Schedule to Appendices are references to Appendices in this Schedule, unless stated otherwise.

## **2. PROGRAM GUIDELINES**

2.1 The Service Manager agrees to administer the Operating Component in accordance with the Agreement and the Program Guidelines.

## **3. PROVISION OF FUNDS BY THE MINISTER**

3.1 Subject to sections 3.5 and 3.7, upon approval by the Minister of the Service Manager’s updated PDFP, the Minister shall transfer to the Service Manager on a quarterly basis, the amount of funding (the “Rent Supplement Stream Funding” and “Housing Allowance Direct Delivery Stream Funding”) indicated in the approved cash-flow documentation, based on the Service Manager’s approved PDFP (“PDFP”). The Service Manager shall update the PDFP on a quarterly basis.

3.2 Subject to section 3.5, in the case of the Housing Allowance Shared Delivery Stream, the Minister shall hold back from the Service Manager’s annual allocation the amount of funding (the “Housing Allowance Shared Delivery Stream Funding”) requested in the approved Service Manager’s PDFP, to be used by the Minister of Finance for paying clients.

- 3.3 The Minister shall transfer Operating Funding that is Rent Supplement and/or Housing Allowance Direct Delivery Funding to the Service Manager on April 1, July 1, October 1 and January 20 of each fiscal year. Fourth quarter payments by the Minister will be made on January 20, instead of January 1, to allow for any payment adjustments based on discrepancies between the Service Manager's planned and actual spending.
- 3.4 Subject to section 3.3, the transfer of all Operating Funding, that is Rent Supplement and/or Housing Allowance Direct Delivery Funding will be made by electronic funds transfer, based on the Service Manager's entitlement for the period, as indicated in the PDFP.
- 3.5 The Service Manager shall use the Operating Funding transferred to it by the Minister in respect of an Eligible Unit solely for the purpose of providing a Rent Supplement to an Eligible Landlord of the Eligible Unit and/or a Housing Allowance to an Eligible Renter Household, in accordance with this Schedule, or as the Minister may direct, in writing.
- 3.6 All interest that accrues on Operating Funding while held by the Service Manager shall be used by the Service Manager for the purpose of administering and delivering Affordable Housing.
- 3.7 For greater certainty, should the Minister, in his or her sole discretion, believe at any point in time that the Service Manager is not likely to comply with section 3.6, the Minister may refuse to provide Funding under section 3.1 or section 3.2.

#### **4. PROVISION OF 2016 SIF RENT SUPPLEMENTS AND/OR 2016 SIF HOUSING ALLOWANCES BY THE SERVICE MANAGER**

- 4.1 In order to receive quarterly Operating Funding, the Service Manager shall update the PDFP quarterly. The PDFP shall include, for the previous quarter, the actual number of Landlord Agreements and occupied rental units and/or Eligible Renter Households meeting the criteria described in Appendix C and Program Funding expended.
- 4.2 The Service Manager shall not expend Funding under the Program for a Unit or any Unit substituted for a Unit and/or an Eligible Renter Household after March 31, 2024.
- 4.3 The Service Manager or its authorized agency shall enter into a Landlord Agreement with each Landlord, in respect of all commitments of Units made on or after the date this Agreement is executed by the Parties. In the case of the Housing Allowance streams, the Service Manager and/or its authorized delivery agent shall develop a client application process and use an Application Form that meets the criteria described in Appendix C. The Service Manager or its authorized delivery agent shall provide a monthly subsidy (Housing Allowance), in the amount determined by the Service Manager and indicated in the PDFP, to the Eligible Renter Household.

- 4.4 A Landlord Agreement shall not be entered into or continued respecting a Unit where a renter is related to the Landlord.
- 4.5 The Service Manager shall ensure that all Units that are subject to a Landlord Agreement are clean, fit for habitation, in satisfactory state of repair, meet applicable minimum health and safety standards and that the Landlord has confirmed that the Units are in compliance with applicable Building Code and Fire Code requirements.
- 4.6 The Service Manager shall determine the monthly Rent Supplement funding to be paid to Landlords on behalf of each Eligible Renter Household and/or Housing Allowance subsidy to be paid to each Eligible Renter Household.
- 4.7 The Service Manager shall establish rules to determine whether the Household's income is at or below the local Household Income Limits (HILs), in accordance with the annually updated HILs in Ontario Regulation 370/11, made under the *Housing Services Act, 2011*. The Service Manager shall put these rules in writing and make them available to the general public. If the Service Manager is of the opinion that HILs are too low and do not correlate with the CMHC market rents for its area, it can request in writing that the Minister make modifications to its HILs.
- 4.8 The Service Manager shall conduct annual (or more frequent if required) income testing of Eligible Renter Households to ensure their continued eligibility for the Program.

## **5. REPORTING REQUIREMENTS**

- 5.1 During the period following the date of execution of this Agreement and the end of the Program, the Service Manager shall provide the Minister, by July 15, October 15, December 15 and March 15 of each year, with a quarterly updated PDFP, indicating the number of Landlord Agreements executed and Units occupied, the number of Eligible Renter Households assisted, target client groups assisted and Program funding expended.
- 5.2 The Service Manager shall provide documentation of Landlord Agreements and/or agreements with delivery agencies, and/or evidence of successful Housing Allowance Applications.
- 5.3 The Service Manager shall provide the Minister with such additional reports as the Minister may require.
- 5.4 The Service Manager shall keep and maintain for a period of seven (7) years following March 31, 2024, all financial records (including invoices) and all-non-financial documents and records relating to the funds or otherwise to the Program.

## **6. MARKETING**

- 6.1 Subject to section 8 of the Administration Agreement, the Service Manager shall promote and advertise the Program in the Service Manager's area as the Service Manager deems appropriate.

## **7. REMEDIES**

- 7.1 If the Service Manager breaches any one or more of the provisions of this Schedule, and the breach is not corrected within a reasonable period of time (as determined by the Minister) after notice has been given to the Service Manager by the Minister, the Minister may, by written notice to the Service Manager,
- (a) terminate this Schedule;
  - (b) demand repayment of any Operating Funding in the possession or control of the Service Manager which has not been advanced to an Eligible Landlord and/or an Eligible Renter Household;
  - (c) demand immediate repayment of all amounts paid by the Minister to the Service Manager under this Schedule that relate to the Eligible Unit in respect of which the breach occurred;
  - (d) demand repayment of all or part of the aggregate of all monies advanced to the Service Manager under this Schedule;
  - (e) cancel all further payments of Operating Funding; and/or
  - (f) suspend further payments of Operating Funding for such period as the Minister may determine.
- 7.2 The Service Manager shall comply with a demand referred to in clauses 7.1(c) and (d), irrespective of whether it has transferred any of the relevant amounts to an Eligible Landlord and/or an Eligible Renter Household.
- 7.3 All of the remedies available to the Minister under this Schedule, at equity and/or at law are cumulative and are not alternative and the Minister shall not be precluded from availing himself simultaneously of some or all of the said remedies.
- 7.4 Notwithstanding any of the terms of this Schedule, the Minister shall have the option of waiving any or all of his remedies under this Agreement, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided.

## **8. GENERAL**

- 8.1 The Program is available from the date of the Service Manager Administration Agreement until March 31, 2018, or a date after that, but no later than March 31, 2024, as reported in the Service Manager's PDFP.
- 8.2 The Service Manager may engage a third party subcontractor (delivery agency) to assist it in the performance of this Agreement. Such assistance shall be limited to but may include the provision of the Rent Supplements to Eligible Landlords and/or Housing Allowances to Eligible Renter Households, in each case, by the third party subcontractor but otherwise in accordance with this Schedule. Notwithstanding any such arrangement, the Service Manager shall remain in possession and control of all Rent Supplement and/or Housing Allowance Funding until such funds are advanced to or on behalf of an Eligible Landlord in connection with the provision of Rent Supplements for an Eligible Unit and/or Housing Allowances to Eligible Renter Households, and shall remain directly responsible to the Minister under and for the performance of this Schedule. The Service Manager shall also ensure that any third party subcontractor is bound by the same terms and conditions relating to the assistance to be provided by it as are binding on the Service Manager under this Schedule. The procurement of any such third party subcontractor shall be done in accordance with the procurement policies of the Service Manager.
- 8.3 The Service Manager may enter into a Landlord Agreement with a Landlord pursuant to which (i) the Landlord agrees to rent a certain number of Units in a development owned by the Landlord available to the public as Eligible Units and to market such Units as Units available under the Program, subject to the requirements of section 8 of the Administration Agreement, and (ii) the Service Manager agrees to make Rent Supplement Funding available to Eligible Households of such Eligible Units.
- 8.4 The disbursement of Operating Funding by the Minister to the Service Manager under section 3.1 and/or 3.2 is subject to the necessary appropriations from the Federal Parliament and the Provincial Legislature. Neither the Minister nor CMHC shall have any liability in the event the respective appropriations are insufficient to meet the funding obligations of the Minister.
- 8.5 The Service Manager agrees to maintain the records and documentation that it is required to maintain under the Program Guidelines for the time period set out in the Program Guidelines.
- 8.6 Subject to the existence of a Memorandum of Understanding between the Minister and the Minister of Finance, if the Service Manager wishes to deliver the Housing Allowance Shared Delivery Stream of the Operating Component, the Service Manager shall enter into a form of agreement with the Minister and the Minister of Finance as the Minister may require.

- 8.7 If the Service Manager enters into an agreement with the Minister to have the Minister provide it with administration and delivery services for the Housing Allowance Shared Delivery Stream and wishes to contribute its own dollars, the Service Manager shall enter into a Contribution Agreement with the Minister substantially in the form of Appendix D, subject to such changes as the Minister and the Service Manager may agree.



## **APPENDIX A**

### **UNIT ELIGIBILITY CRITERIA**

1. To be an Eligible Unit (within the meaning of this Schedule and the CMHC-Ontario Investment in Affordable Housing Program Agreement) a Unit must satisfy each of the following requirements:
  - (a) Be modest, that is not exceed Average Market Rent (AMR) for the area, as updated by the Minister annually;
  - (b) Meet local occupancy standards, included in program information available to the public;
  - (c) Such other requirements as are set out in the Program Guidelines and/or as the Service Manager may establish.
2. An Eligible Unit may be occupied by the applicant household. In-situ arrangements are permitted.
3. Only market units in social housing developments are eligible.
4. The following do not fit the definition of Eligible Unit:
  - (a) Hostel units, group homes, nursing and retirement homes;
  - (b) Non-market units in social housing developments.

## **APPENDIX B**

### **HOUSEHOLD ELIGIBILITY CRITERIA**

1. Each household seeking to be approved as an Eligible Household must meet each of the following criteria at the time the primary applicant submits an application:
  - (a) The primary applicant must be at least sixteen (16) years old;
  - (b) Neither own a home, nor have an ownership interest in a home, other than a contingent interest;
  - (c) Not be living in a spousal relationship (including a same-sex spousal relationship) with a person who owns a home or who has an ownership interest in a home, other than a contingent interest;
  - (d) Have a household income that does not exceed the Household Income Limits (HILs) for the Service Manager area. If the Service Manager is of the opinion that HILs are too low and do not correlate with the CMHC market rents for its area, it can request in writing that the Minister make modifications to its HILs;
  - (e) Not be in a close familial relationship with the person who owns the Unit or who has an ownership interest in the Unit, that is, not be the parent, grandparent, child, grandchild or sibling of the owner or co-owner of the Unit;
  - (f) Not be in receipt of any other housing allowance or rent supplement.
2. The Service Manager shall define "household income".
3. The Service Manager may establish such additional criteria as may be required to administer this Program, provided they are not inconsistent with the requirements of this Program.

## **APPENDIX C**

### **HOUSING ALLOWANCE APPLICATION PROCESS AND FORM**

1. The Service Manager and/or its delivery agent shall develop the application process that suits its local needs and make it available to the public.
2. The Service Manager and/or its delivery agent may select households from social housing waiting lists.
3. The Service Manager and/or its delivery agent shall design an Application Form that shall include, but not be limited to, the following sections:
  - (a) A definition of "Household Income";
  - (b) Household Income declaration;
  - (c) Explicit list of eligibility criteria;
  - (d) Consent regarding personal information sharing;
  - (e) Applicant signature and date; and
  - (f) Such other requirements as are set out in the Program Guidelines or as the Minister may advise from time to time, and/or as the Service Manager and/or its delivery agent may establish.

## **APPENDIX D**

### **CONTRIBUTION AGREEMENT**

This Contribution Agreement is entered into as of the [INSERT DATE]

**BETWEEN**

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO  
AS REPRESENTED BY  
THE MINISTER OF HOUSING  
("THE MINISTER")**

- and -

**[SERVICE MANAGER]  
("Service Manager")**

### **RECITALS**

- A. Canada Mortgage and Housing Corporation ("CMHC") and Her Majesty the Queen in Right of Ontario as represented by the Minister of Municipal Affairs and Housing ("MMAH") entered into a bi-lateral agreement to provide for the Investment in Affordable Housing for Ontario program from 2011-2014, effective April 1, 2011 (the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014").
- B. CMHC and MMAH entered into a Supplementary Agreement No. 1, dated August 11, 2014, the ("Supplementary Agreement").
- C. The Supplementary Agreement amended the CMHC-Ontario Agreement for Investment in Affordable Housing 2011-2014 by extending the funding available for Affordable Housing.
- D. CMHC and MMAH entered into the 2016 Social Infrastructure Fund Agreement under the Agreement for Investment in Affordable Housing, made as of April 1, 2016.
- E. Whereas the Minister is now responsible for the above agreements signed by MMAH.
- F. The Minister has established, as part of the Operating Component of the Program, a Housing Allowance Shared Delivery Stream pursuant to which the Minister provides CMHC funding and provincial funding.
- G. The Supplementary Agreement contemplates that other parties, including municipalities, may also contribute funding to the Program.

- H. The Minister and the Service Manager have entered into this Agreement for the purpose of setting out the respective roles and responsibilities of the Minister and the Service Manager with respect to the contribution of funding by the Service Manager to the 2016 SIF Operating Component.
- I. The Service Manager would like to contribute [INSERT AMOUNT] Canadian Dollars per Benefit Year (the "Funds") to the Program for use by the Minister under the Housing Allowance Shared Delivery Stream, in accordance with an Agreement for Services, dated [INSERT DATE], between the Minister and the Service Manager (the "Agreement for Services").
- J. All capitalized terms not defined herein shall have the meanings given to them in the Agreement for Services.

**NOW THEREFORE** the parties agree as follows:

1. Subject to section 3, the Service Manager agrees to provide the Minister with the Funds as a contribution under the Program in equal quarterly instalments commencing on [INSERT DATE].
2. The Service Manager directs the Minister to use the Funds for the Program's Housing Allowance Shared Delivery Stream in accordance with the Agreement for Services.
3. Subject to section 4, all Service Manager funding contemplated under this Agreement is subject to Service Manager Council's annual approval of the annual budget, and the Service Manager shall not be required to participate in future Benefit Years with such funding should the approval of municipal contribution be insufficient to meet the funding obligations of the Service Manager.
4. Despite section 3, where the Service Manager is already participating in the Program in a Benefit Year, the Service Manager agrees to ensure that sufficient funding is provided for its participants for the entire Benefit Year notwithstanding a failure to approve sufficient funding.
5. The Minister agrees to use the Funds solely for the Program's Housing Allowance Shared Delivery Stream in accordance with the Agreement for Services.
6. Subject to any necessary appropriations, any unused Funds shall be returned to the Service Manager following termination or expiry of the Agreement for Services.

**IN WITNESS WHEREOF** the parties have executed this Agreement.

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO  
AS REPRESENTED BY THE MINISTER OF HOUSING**

Signature: \_\_\_\_\_

Name:

Title:

Date of

Signature:

**[SERVICE MANAGER]**

Signature: \_\_\_\_\_

Name:

Title:

Date of

Signature:







**SCHEDULE E**  
**SOCIAL HOUSING IMPROVEMENT PROGRAM**  
**SERVICE MANAGER FUNDING DELIVERY**

**1. INTERPRETATION**

1.1 In this Schedule, unless the context requires otherwise, the following terms have the meanings set out in this Section.

- **“Administration Agreement”** means the Administration Agreement between the Minister and the Service Manager to which this Schedule forms a part;
- **“Affordable”** means units rented at the low end of market rent as determined by the Service Manager;
- **“Cash Flow Statement”** means a statement, being an attachment to the Program Delivery and Fiscal Plan (PDFP), setting out the program funding the Service Manager expects to spend in each quarter on SHIP and contains such information as is required under the Program Guidelines;
- **“Contribution Agreement”** means an agreement between the Service Manager and a Social Housing Provider receiving funding under SHIP in relation to a Project and setting out the SHIP requirements;
- **“Commitment”** means confirmation by the Service Manager to the Minister that the Service Manager has entered the PIF into the Grants Ontario System and that the Contribution Agreement has been signed by both parties;
- **“Date of Commitment”** means the date of a Contribution Agreement that has been signed by both parties;
- **“Eligible Activities and Costs”** are as defined in the Program Guidelines;
- **“Funding”** means money provided by the Minister to the Service Manager for a Project;
- **“HSA”** means the *Housing Services Act, 2011*, and regulations made under it, as amended from time to time;
- **“PIF”** means a Project Information Form in the form and format required by the Minister;
- **“Parties”** means the Minister and the Service Manager and **“Party”** means either of them, as the context may require;

- **"Project"** means the approved eligible work to be performed on a Social Housing project under the Social Housing Improvement Program;
- **"Report"** means any report required under Section 7 of this Schedule;
- **"SHIP"** means the Social Housing Improvement Program set out in the Program Guidelines;
- **"Social Housing"** means those housing projects that are, as of April 1, 2016, within a program in Schedule C to the CMHC-Ontario Social Housing Agreement dated November 15, 1999 and remain within a program in such Schedule at the time of commitment and use of the Funding for the social housing project; but **"Social Housing"** excludes the housing that was or is only within either of "Program No. 2: "Rent Supplement Program" or Program No 9: "Rural and Native Homeownership" of Schedule C;
- **"Social Housing Provider"** means a person or entity that operates a housing project listed in Ontario Regulation 368/11 under the HSA "
- **"Uncommitted"** means no Commitment;
- **"Unit"** means a self-contained residential dwelling and/or unit within a multi-bedroom congregate living arrangement;

1.2 In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.

1.3 All references in this Schedule to section numbers are references to sections of this Schedule unless stated otherwise.

## **2. PROGRAM GUIDELINES**

2.1 The Service Manager agrees to comply with and administer SHIP in accordance with the Program Guidelines.

2.2 The Service Manager is responsible for selecting and approving all Social Housing projects, monitoring progress and completion of Projects, quality of work and for the advancement of funds.

2.3 Once the Minister has approved the PDFP including the Cash Flow Statement, the Service Manager shall enter the details of the Service Manager approved projects as per the PIF into the Grants Ontario System.

2.4 The Minister reserves the right to return a PIF to the Service Manager for revision and resubmission if it is not consistent with the Program Guidelines.

- 2.5 The Service Manager shall complete and enter all PIFs into the Grants Ontario System by December 31, 2016. The Minister will begin the funding reallocation process in January 2017 for Uncommitted funding.
- 2.6 The Service Manager shall not approve a funding request unless the Social Housing Provider agrees to operate the project in accordance with the Affordability requirements for SHIP.
- 2.7 The Service Manager shall ensure that Project status is updated and documents are posted in the Grants Ontario System on an on-going basis.

### **3. CASH FLOW STATEMENT**

- 3.1 The Service Manager shall submit a Cash Flow Statement to the Minister by September 1, 2016. The statement will provide how the funding allocation will be disbursed to final recipients over the period commencing April 1, 2016 and ending no later than March 31, 2019.
- 3.2 In accordance with the Cash Flow Statement, the Service Manager shall disburse no more than ten (10) per cent of the total SHIP allocation in the final quarter of the statement.

### **4. PROVISION OF FUNDING BY MINISTER**

- 4.1 Upon the Parties signing the Administration Agreement and the Minister's approval of the PDFP including the Cash Flow Statement, quarterly transfer payments shall be made to the Service Manager based on the funding requirements set out in the PDFP as updated quarterly by the Service Manager.
- 4.2 The Service Manager shall enter into a Contribution Agreement with the Social Housing Provider relating to such Project and shall, subsequently transfer payments to the Social Housing Provider, in accordance with the amount of funding that the Social Housing Provider has requested for such Social Housing Project and the payment schedule set out in the Contribution Agreement.
- 4.3 In no event shall the aggregate of all Funding provided to the Service Manager under this Schedule exceed the amount that the Minister allocates to the Service Manager under SHIP.
- 4.4 Notwithstanding any other provision of this Schedule, the Minister may after any review of the progress of the Service Manager's proposed Projects reallocate the Service Manager's Uncommitted SHIP allocation after December 31, 2016.

- 4.5 Any Uncommitted SHIP allocation existing at March 31, 2017, will lapse at the end of that day and cannot be used, and the Service Manager shall return to the Minister any Funding that has been advanced by the Minister and is Uncommitted as of April 1, 2017.
- 4.6 Notwithstanding any provision to the contrary, the Minister shall not be obligated to fulfill any funding request under this Schedule where CMHC does not provide the requisite federal funding for SHIP and/or the federal funding for SHIP has been depleted.

## **5. USE OF FUNDING**

- 5.1 The Service Manager shall use the Funding only for the purposes of providing capital grants to finance the Projects and for Administration Fees as approved by the Minister. The Service Manager shall ensure that the Funding is spent in accordance with the Contribution Agreement for the Project and only for approved Eligible Activities and Costs.
- 5.2 Funding under SHIP is not intended to replace activities supported by Federal funding provided under the CMHC-Ontario Social Housing Agreement and received under the HSA, or to assist with Service Manager funding requirements to housing providers under the HSA or under operating agreements. The Service Manager shall demonstrate to the Minister that the Service Manager's total expenditures on social housing for its service area, excluding SHIP expenditures, are not less than total expenditures reported in the Service Manager's 2015 SMAIR Report adjusted to reflect the proportionate change in the Federal funding received under the HSA for a given calendar year compared to 2015, and shall provide any further information requested by the Minister, and shall provide any further information requested by the Minister.

## **6. CONSTRUCTION AND COMPLETION TIMELINES**

- 6.1 The Service Manager shall select renovation and retrofit projects that can be implemented promptly, and ensure that construction for each Project commences within three (3) months of the Date of Commitment for that Project. If the construction commencement date for a Project does not occur within three (3) months of such date, the Minister may cancel the Funding for the Project, demand repayment of Funding for the Project and reallocate such Funding as the Minister deems appropriate.
- 6.2 The Service Manager shall ensure that Funding is disbursed and the Project completed within two (2) years of the Date of Commitment. The Service Manager shall return to the Minister any Funding that has not been disbursed within the two year period set out above. .

## **7. REPORTS**

- 7.1 Within ten (10) days of the construction commencement date for a Project, the Service Manager will update the PIF confirming the construction commencement date for the Project.
- 7.2 Within ten (10) days of the completion of a Project, the Service Manager will update the PIF confirming that construction for the Project is complete.
- 7.3 On a quarterly basis, the Service Manager will update the PIF with the total amount of funding disbursed by the Service Manager to the project as at the time of reporting.
- 7.4 Where, after a Contribution Agreement for a Project has been signed, the Service Manager wishes to request a change to a Project, the Service Manager must submit a revised PIF to the Minister.
- 7.5 For each Project, on each April 15 during the ten (10) year period following the completion of the Project, the Service Manager shall provide the Minister with a Report (Appendix "A") confirming that, subject to any exceptions set out below and in the report, the project remains Affordable. In all cases, funded social housing projects must remain Affordable for a ten-year period after the completion of the funded repair/retrofit or regeneration activities, including a minimum of five (5) years during that period in which they will operate as social housing under the HSA. This requirement applies regardless of whether any mortgages or agreements between a Service Manager and Social Housing Provider expire.
- 7.6 While this Schedule is in force, the Service Manager shall, by April 15 in each year, submit to the Minister a statement signed by an authorized signing officer of the Service Manager reporting that, subject to any exceptions set out in the statement, the Service Manager is meeting all SHIP requirements.
- 7.7 The Service Manager shall ensure that, with respect to each Project, the Social Housing Provider's audited financial statements for each fiscal year in which Funding is spent on a Project contain a note(s) or supplementary schedule(s) reporting the amount of SHIP Funding that the Social Housing Provider spent on the Project in such fiscal year.
- 7.8 By June 30 following the fiscal year in which a Service Manager has made final disbursements to a Social Housing Provider, the Service Manager shall submit to the Minister for each completed Project a statement signed by an authorized signing officer of the Service Manager reporting (Appendix "B"), subject to any exceptions set out in the statement that (i) the Service Manager has received all of the Social Housing Provider's audited financial statements for the fiscal years in which SHIP Funding for the Project was spent; (ii) all of the SHIP Funding provided to the Social Housing Provider was spent on approved Eligible Project Expenditures.

- 7.9 The Service Manager shall submit to the Minister such other information and reports, including as to the status of a Project, as the Minister may request from time to time.
- 7.10 The Service Manager shall ensure that each Social Housing Provider that receives Funding keeps and maintains, at its usual place of business, all records, invoices and other documents related to a Project for a period of ten (10) years from the date of the Project completion, and that such documents are kept available for review by the Service Manager.
- 7.11 This Article 7 shall survive any termination of this Schedule.

## **8. RECOVERY OF FUNDING**

- 8.1 In the case of non-compliance due to misuse of the Funding or negligence by a housing provider or in the case of a breach of contract with the Service Manager, the Service Manager must notify the Ministry immediately and take available remedies to recover the Funding and return it to the Minister.
- 8.2 Where section 8.1 does not apply but the Funding is not spent on approved Eligible Activities and Costs for the Project, the Service Manager shall notify the Minister and make reasonable efforts to recover the Funding and return it to the Minister.

## **9. NOTICE OF PROJECTS IN DIFFICULTY**

- 9.1 The Service Manager shall immediately provide notice to the Minister of any difficulty with any Project and work with the Minister to determine a course of action for rectifying the difficulty.

## **10. REMEDIES**

- 10.1 If the Service Manager breaches any one or more of the provisions of this Schedule, and the breach is not corrected within a reasonable period of time (as determined by the Minister) after notice has been given to the Service Manager by the Minister, the Minister may, by written notice to the Service Manager,
- (a) terminate this Schedule;
  - (b) demand immediate repayment of all or any portion of the Administration Fees paid by the Minister to the Service Manager;
  - (c) demand immediate repayment of all or part of any Funding in the possession or control of the Service Manager that has not been used for a Project;
  - (d) demand immediate repayment of all or any part of the monies paid by the Minister to the Service Manager under this Schedule;

- (e) demand immediate repayment of all amounts paid by the Minister to the Service Manager under this Schedule that relate to the Project in respect of which the breach occurred;
- (f) cancel all further payments of Funding; and/or
- (g) suspend further payments of Funding for such period as the Minister may determine appropriate.

The Service Manager shall comply with a demand referred to in clause (d) and/or (e) irrespective of whether it has used any of the relevant amounts for a Project.

- 10.2 All of the remedies available to the Minister under this Schedule, at equity and/or at law are cumulative and are not alternative and the Minister shall not be precluded from availing himself simultaneously of some or all of the said remedies.
- 10.3 Notwithstanding any of the terms of this Schedule, the Minister shall have the option of waiving any or all of his remedies under this Agreement, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided.

## **12. AFFORDABILITY**

- 12.1 All funded social housing projects must remain Affordable for a ten-year period after the completion of the funded repair/retrofit or regeneration activities, including a minimum of five (5) years during that period in which they will operate as social housing under the HSA. This requirement applies regardless of whether any mortgages or agreements between a Service Manager and Social Housing Provider expire.
- 12.2 The Service Manager shall repay the Minister any amounts provided to a participating Social Housing Provider where the project does not remain Affordable for the ten (10) year period, pro-rated to reflect the portion of the ten (10) year period for which the project shall not be Affordable.



## APPENDIX A

### PROGRAM COMPLIANCE ATTESTATION REPORT

Service Manager:

Service Manager Address:

Service Manager Contact:

Name:

Telephone:

Email:

This report confirms that the **[Insert Service Manager Name]** (the "Service Manager") is administering and delivering the Social Housing Improvement Program (the "Program") in accordance with an Agreement dated **[date]** with the Province of Ontario (the "Agreement").

The Service Manager confirms that:

- (a) all eligible housing projects that received Program funding are listed in column one of the second page of this form
- (b) the dates at which the Eligible Work was completed for each project are set out in column 4; and
- (c) subject to the exceptions listed below, each Eligible housing project continues to be Affordable and for the first five years of that period is being or has been operated as Social Housing under the Housing Services Act, 2011 (HSA).

Exceptions:

I declare that the above information is true and complete.

By: \_\_\_\_\_

Name:

Title:

Date:

I have the authority to bind the Service Manager

## ANNUAL PROGRAM COMPLIANCE ATTESTATION REPORT CONTINUED

Service Manager Name:

Date:

[illegible]

**APPENDIX "B"**  
**SHIP CERTIFICATE**

Social Housing Improvement Program ("SHIP")

RE: \$ \_\_\_\_\_ in SHIP funding (the "SHIP Funding") provide to  
\_\_\_\_\_ (the "Housing Provider") in respect of  
\_\_\_\_\_ (the "Project").

I, \_\_\_\_\_, being an authorized signing officer of \_\_\_\_\_  
(the "Service Manager") certify that:

- (a) terms not otherwise defined in this certificate have the meaning given to them in the Administration Agreement with the Service Manager relating to SHIP;
- (b) the Project is complete;
- (c) the Service Manager has received all of the Housing Provider's audited financial statements for the fiscal years in which SHIP Funding for the Project was spent;
- (d) except as set out below, the audited financial statements contain a note(s) or supplementary schedule(s) reporting the total amount of SHIP Funding that the Housing Provider spent on the Project; and
- (e) except as set out below, all of the SHIP Funding provided to the Housing Provider was spent on approved Eligible Project Expenditures.

Exceptions:

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SCHEDULE F**  
**COMMUNICATIONS PROTOCOL REQUIREMENTS**

Page G-1

**CMHC – ONTARIO**  
**AGREEMENT FOR INVESTMENT IN AFFORDABLE HOUSING 2011-2014**

**SCHEDULE G**  
**COMMUNICATIONS PROTOCOL**  
(Paragraph 11.1 of the Agreement)

**G.1 GENERAL**

- G.1.1 CMHC and MMAH (the "Parties") agree to undertake joint communications activities and products that will enhance opportunities for open, transparent, effective and timely communications with the public through appropriate, continuous and consistent public information activities that recognize the contributions of the Parties and the applicant.
- G.1.2 CMHC and MMAH agree that all communications activities and products related to this Agreement, any Programs and any Projects shall recognize equally, refer to equally and give equal prominence and priority to the "Government of Canada" including "Canada Mortgage and Housing Corporation" and the "Government of Ontario" including "the Ministry of Municipal Affairs and Housing". Without limiting the generality of the preceding sentence, this paragraph applies to all provisions of this Schedule.
- G.1.3 All public information material in relation to this Agreement shall be prepared jointly.
- G.1.4 Subject to G.1.2, both Parties agree to adhere to government visibility requirements. They will be provided by CMHC and MMAH Communications Branch as issued from time to time. Visibility requirements may include, but are not limited to, items such as branding and signage.

**G.2 JOINT COMMITTEE**

- G.2.1 There shall be a Joint Committee of senior CMHC and MMAH officials responsible for the implementation of the Communications Protocol. The Joint Committee is a forum for sharing information on Investment in Affordable Housing 2011-2014 Projects and Programs, planning and approving communications plans, materials and activities, but may elect to address other Program issues by mutual agreement.
- G.2.2 The Joint Committee will continue to exist and operate for as long as necessary to meet the requirements of this Agreement.
- G.2.3 The Joint Committee will consist of two members appointed by CMHC and two members appointed by MMAH.
- G.2.4 The Joint Committee will be headed by two Co-chairs. CMHC will appoint one of its two members as the CMHC Co-chair and MMAH will appoint one of its two members as the MMAH Co-chair.
- G.2.5 The Joint Committee will meet at least twice a year.

**G.3 COMMUNICATION WITH APPLICANTS AND OTHERS**

- G.3.1 MMAH will provide the CMHC co-chair with information on each Project application which has been approved five business days before any communication of the approval to the applicant or others.
- G.3.2 All Project and Recipient approval notifications in a form acceptable to both parties shall identify the "Government of Canada" including "Canada Mortgage and Housing Corporation" and the "Government of Ontario" including "the Ministry of Municipal Affairs and Housing" as sources of funding, under the "Investment in Affordable Housing 2011-2014".
- G.3.3 All public information material related to calls for tendering shall clearly and prominently indicate that the Project is funded by the "Government of Canada" including "Canada Mortgage and Housing Corporation" and the "Government of Ontario" including "the Ministry of Municipal Affairs and Housing" pursuant to this Agreement.

**G.4 COMMUNICATION WITH THE PUBLIC**

Public Information Products

- G.4.1 The Parties may develop information kits, brochures, public reports, and web site material, recognizing the joint funding, to inform potential applicants and the public about the Investment in Affordable Housing 2011-2014 and the Programs.

News Releases

- G.4.2 A joint news release shall be issued when this Agreement is signed. Unless the Parties decide otherwise, there shall be a joint news release for each approved Project or group of Projects or Recipients (without disclosing personal information), in which each Party will have equal importance. A news release may include quotations from a federal and a provincial official, other contributors and the applicant. The Parties must agree on these quotations. The Parties shall agree on the timing of the news release.
- G.4.3 The Parties shall co-operate in organizing press conferences, announcements and official ceremonies. The Parties will agree on the messages and public statements at such events. The Parties shall agree if, when and where special ceremonies and events will be held. Neither Party nor any municipality, applicant or contributor shall make any public announcement for a Project or Recipients, without first securing the agreement of the other Party. A Party must be informed of a proposed joint event at least 20 working days prior to the planned date of the event. No arrangements shall be made for events until the other Party agrees to the event.
- G.4.4 Either Party may organize a joint press conference. The requester shall give the other Party notice of at least 20 working days of such a press conference, public announcement or joint event, which shall not be presented by one Party to another as final. The CMHC and Ontario Ministers or their designated representatives and each Party may participate in these press conferences, which shall be held on a date and at a location that are agreed upon.

- G.4.5 The signing of this Agreement shall be the subject of an official ceremony.
- G.4.6 The Parties shall work together to organize such announcements and official ceremonies, and shall follow a mutually agreed-upon order of precedence. The Parties should jointly agree on the messages and public statements at such events.

#### Signage

- G.4.7 MMAH shall ensure that the applicant provides and installs temporary signage at a prominent location where there is visible activity related to an approved Project. The signage shall indicate that it is a Government of Canada - CMHC and Government of Ontario - MMAH (and municipal as applicable) Investment in Affordable Housing 2011-2014 Project, bear a message approved by each Party, and remain in place throughout the construction period.
- G.4.8 MMAH shall provide and install, where appropriate, a plaque or permanent sign bearing an appropriate inscription.
- G.4.9 Design, wording and specifications of signs and plaques shall reflect the equal participation of the "Government of Canada" including "Canada Mortgage and Housing Corporation" and the "Government of Ontario" including "the Ministry of Municipal Affairs and Housing" and must be approved by both Parties. Signs and plaques shall have appropriate spaces indicating participation by the municipality and the applicant, if requested.
- G.4.10 The Parties shall issue specifications for signs and plaques and time frames for their installation. Temporary signs must be removed within 90 days of Project completion.

#### Advertising

- G.4.11 Either Party may organize an advertising or public information campaign, recognizing the joint funding, related to the Investment in Affordable Housing 2011-2014 and the Programs. However, it must inform the other Party of the contents of the campaign's messages at least 30 days before it is launched.

#### Payments

- G.4.12 All payments to approved applicants or others pursuant to or related to this Agreement will identify the "Government of Canada" including "Canada Mortgage and Housing Corporation" and the "Government of Ontario" including "the Ministry of Municipal Affairs and Housing" as sources of funding, under the "Investment in Affordable Housing 2011-2014".

**G.5 COSTS**

G.5.1 The Joint Committee shall approve an annual communications plan and budget.

G.5.2 Costs associated with the development and delivery of communications products and activities in the approved communications plan and budget are eligible costs under this Agreement. This would apply to costs incurred by either party associated with any public announcement and official ceremony, temporary or permanent signage and plaques, advertising, literature, media distribution, organization of special events, as established by both Parties.

**G.6 MUNICIPALITIES**

G.6.1 "Municipal" and "municipality" include public bodies designated by MMAH as the local functionary for Programs.

Case Number #: 2016-06-1-369654959

**Instructions****Section A – Proposed Plan**

This section is for you to describe how you intend to use your 2016 SIF funding allocation to improve the housing outcomes of the provincial priorities while addressing local needs in your communities. The proposed program delivery plan should align with your local Housing and Homelessness Plan. Please respond to the questions in the spaces provided.

**Section B – Planned Commitments Annual**

Enter your Social Housing Improvement Program (SHIP) allocation (less amount to be used for administration) in the SHIP Year 1 column only. Enter the amount to be used towards the administration of SHIP in the SHIP Administrative Fees Year 1 column only. Administration Fees cannot exceed 5% of your total SHIP allocation.

For the rest of the chart, complete the table to indicate how much of your annual allocation you plan to commit to each program component in each of the two years of the 2016 SIF IAH program. Enter the amount to be used as administration fees for each of the two program years. Administration fees cannot exceed 5% of your total two-year funding allocation. Please note that information can only be entered in the Year 1 and Year 2 columns.

For the Rental and Ontario Renovates Components, please indicate the amount of funding you plan to dedicate to Senior's households in the Rental-Seniors and Ontario Renovates-Seniors component rows. These amounts should NOT be included in the general Rental and Ontario Renovates rows as the total of all components including Rental-Seniors and Ontario Renovates-Seniors cannot exceed your total allocation for the program year. The Ministry is requesting the Seniors information separately for these two components to ensure full commitment of the funding dedicated to seniors.

**Section C – Projected Take-Up**

Complete the tables to indicate the projected number of units funded and/or households assisted by program component in each of the two program years for which funding is planned to be committed. Please note that information can only be entered in the Year 1 and Year 2 columns.

For the Rental and Ontario Renovates Components, please indicate the number of seniors households you plan to assist in the Rental-Seniors and Ontario Renovates-Seniors component rows. These amounts should NOT be included in the general Rental and Ontario Renovates rows.

For SHIP, indicate the projected number of units funded by SHIP, for which funding is planned to be committed in 2016-17. Please note that the number of units funded by SHIP should only be entered in the Year 1 column.



Case Number #: 2016-06-1-369654959

**Section D – Planned Commitments (Quarter)**

Enter the estimated amount of 2016 SIF IAH funding to be taken-up in each future quarter of the current program year. If applicable, enter the actual amount of funding taken-up in the previous quarter.

For the Rental and Ontario Renovates Components, please indicate the amount of funding you plan to dedicate to Senior's households in the Rental-Seniors and Ontario Renovates-Seniors component rows. These amounts should NOT be included in the general Rental and Ontario Renovates rows as the total of all components including Rental-Seniors and Ontario Renovates-Seniors cannot exceed your total allocation for the program year. The Ministry is requesting the Seniors information separately for these two components to ensure full commitment of the funding dedicated to seniors.

**Section F – Cash Flow – Rent Supplement**

Enter the duration of the rent supplement in full years for each program year (do not use decimals). Please enter your proposed payments by quarter in the chart provided. In no event can payments be made after March 31, 2024.

**Section H – Cash Flow – Housing Allowance**

Enter the duration of the housing allowance in full years for each program year (do not use decimals). Please enter your proposed payments by quarter in the chart provided. In no event can payments be made after March 31, 2024.

**Appendix 1 – Cash Flow Statement – Social Housing Improvement Program (SHIP)**

Enter your cash flow requirement by quarter in the chart provided. The quarterly cash flow request must be at or close to the time the funds are needed by the housing provider to pay for their relevant expenditures.

All payments to social housing providers must be made within 2 years from the date of the funding commitment.

1. Organization:
2. Contact Email:
3. Telephone Number:

Case Number #: 2016-06-1-369654959

**Section A - Proposed Plan**

- \*1. What are the current and projected housing needs in your community. Please include the housing needs of the provincial priority areas outlined in the 2016 SIF Program Guidelines. Please make direct reference (including page references) to your local Housing and Homelessness Plan.

- \*2. Which 2016 SIF IAH program components will be delivered? Which priority groups will you be targeting with the 2016 SIF IAH funding? How will the program components you have elected to deliver improve the housing outcomes of the priority groups you plan to target with the funding?

- \*3. The Ministry recommends that Service Managers work with their local support services agencies and LHINs to address the housing needs of clients requiring supports. Please describe your current relationship with your local LHIN and community support services agencies. What supportive services are you planning to link to the affordable housing that is being created under the 2016 SIF IAH?

- \*4. The 2016 SIF IAH aims to encourage training of skilled labour by supporting apprenticeships in the residential housing sector. How do you intend to promote and support the employment of apprentices under the program?:

- \*5. Given the delayed start of the Year 1 program year, will you be able to commit your entire funding allocation? What strategies do you plan on using to ensure full take-up of funding?

Case Number #: 2016-06-1-369654959

Complete the following table by entering the number of households for each target client group to be served under the 2016 SIF IAH in your area. Please complete the entire table. Determination of units for target client groups is at your discretion and should be consistent with your Housing and Homelessness Plan.

	*Projected Target Client Group	*Rental Housing	*Homeo wnership	*Ontario Renovates	*Rent Supplement	*HA - Direct Delivery	*HA - Shared Delivery	Total	
x								0	+

Case Number #: 2016-06-1-369654959

## Section B - Planned Commitments (Annual)

### PLANNED FINANCIAL COMMITMENTS BY YEAR

	*Planned Financial Commitment - \$s						TOTAL
	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	
	2016-17	2017-18					
Total SM allocation for each fiscal year	0	0					0
*Program Component							
SHIP							0
SHIP SM Administration Fees							0
Ontario Renovates - Seniors							0
Rental Housing - Seniors							0
Homeownership							0
Ontario Renovates							0
Rental Housing							0
Housing Allowance - Direct							0
Housing Allowance - Shared							0
Rent Supplement							0
SM Administration Fees							0
SM Administration Fees % Allocation							
Total	0	0	0	0	0	0	0
Variance	0	0	0	0	0	0	0

Case Number #: 2016-06-1-369654959

## Section C - Projected Take-Up

### A. Projected Take-Up (Units/Households)

*Program Component	*Projected Units Funded / Households Assisted						TOTAL
	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6	
	2016-17	2017-18					
SHIP	0	0	0	0	0	0	0
SHIP SM Administration Fees	0	0	0	0	0	0	0
Ontario Renovates - Seniors	0	0	0	0	0	0	0
Rental Housing - Seniors	0	0	0	0	0	0	0
Homeownership	0	0	0	0	0	0	0
Ontario Renovates	0	0	0	0	0	0	0
Rental Housing	0	0	0	0	0	0	0
Housing Allowance - Direct	0	0	0	0	0	0	0
Housing Allowance - Shared	0	0	0	0	0	0	0
Rent Supplement	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0

Case Number #: 2016-06-1-369654959

**B. Projected Operating Details**

**Rent Supplement Stream**

*Activity	*Projected Units Funded / Households Assisted					
	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6
	2016-17	2017-18				
Number of households receiving a rent supplement	0	0	0	0	0	0
Monthly rent supplement amount per household (\$)	0	0	0	0	0	0
Length of program in months up to March 31, 2024	0	0	0	0	0	0
Total rent supplement amount	0	0	0	0	0	0

**Housing Allowance - Direct Delivery Stream (SM administration)**

*Activity	*Projected Units Funded / Households Assisted					
	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6
	2016-17	2017-18				
Number of households receiving a housing allowance	0	0	0	0	0	0
Monthly housing allowance amount per household (\$)	0	0	0	0	0	0
Length of program in months up to March 31, 2024	0	0	0	0	0	0
Total housing allowance amount	0	0	0	0	0	0

Case Number #: 2016-06-1-369654959

**Housing Allowance - Shared Delivery Stream (Ministry of Finance administration)**

*Activity	*Projected Units Funded / Households Assisted					
	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5	Year - 6
	2016-17	2017-18				
Number of households receiving a housing allowance	0	0	0	0	0	0
Monthly housing allowance amount per household (\$)	0	0	0	0	0	0
Length of program in months up to March 31, 2024	0	0	0	0	0	0
Total housing allowance amount	0	0	0	0	0	0

**Section D - Planned Commitments (Quarter)**

*Program Component	*Financial Take-Ups by Quarter - \$\$				Total	Planned	Variance
	Quarter 1	Quarter 2	Quarter 3	Quarter 4			
	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar			
Ontario Renovates - Seniors					0		0
Rental Housing - Seniors					0		0
Homeownership					0		0
Ontario Renovates					0		0
Rental Housing					0		0
Total					0		0

**Section F - Cash Flow - Rent Supplement**

Year - 1 Planned Allocation:

Case Number #: 2016-06-1-369654959

Duration (years):
-------------------

Proposed Payments by Quarter					
Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
					\$0.00
					\$0.00

<b>Section H - Cash Flow - Housing Allowance</b>
--

Year - 1 Planned Allocation:	
Duration (years):	

Proposed Payments by Quarter					
Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
					\$0.00
					\$0.00





### SHIP Cash Flow Statement

Service Manager: \_\_\_\_\_

1. Enter the the estimated amount of funding to be taken-up in each quarter.
2. Take-up is aggregate of funding proposed to be disbursed to the housing providers based on progress.
3. The quarterly cash flow request must be at or close to the time the funds are needed by the housing provider to pay for their relevant expenditures.
4. No more than 10% of the allocation may be disbursed in the last quarter.
5. Service Manager Administration Fees must not exceed 5% of SHIP Allocation. SHIP Administration Fees will be paid to the Service Manager in 2016-17.
6. All projects must start their repair and renovation activities within 3 months of funding commitment. All funds must be disbursed to housing providers within 2 years from the date of commitment.

[illegible]



**SCHEDULE H**  
**FRENCH LANGUAGE SERVICES REPORT**

*Please complete and submit this Report on an annual basis by July 15<sup>th</sup> of each year.*

Service Manager:

---

Service Manager Address:

---

Service Manager Contact: Name:

---

Telephone:

---

Email:

---

This report is to confirm that the ***[Insert Service Manager Name]*** is providing services under the 2016 Social Infrastructure Fund ("2016 SIF") and has an office(s) located in or serving an area designated in the Schedule to the *French Language Services Act* ("FLSA").

The ***[Insert Service Manager Name]*** confirms that it is:

- a) Providing 2016 SIF services to the public in French in all of its offices (including the offices of sub-contractors) located in or serving an area designated in the Schedule to the FLSA; and,
- b) Making it known to the public, including by way of signs, notices, other information on services, and initiation of communications in French, that services provided to and communications with the public in connection with the 2016 SIF are available in French.

I declare that the above information is true and complete.

***[Insert Service Manager Name]***

\_\_\_\_\_  
Name:

Title:

I have the authority to bind \_\_\_\_\_ ***[Insert Service Manager Name]***

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

As a Service Manager providing services under the 2016 SIF and having offices (including the offices of sub-contractors) located in or serving an area designated in the Schedule to the French Language Services Act, please complete the section below.

**Service Manager Name:**

**Name of Designated Area(s):**

**Description of Services:**

Please select all items that apply to the services you are providing under the 2016 SIF in an office (or the office of a sub-contractor) that is located in or services a designated area.

- ☐ Signage and visibility of available services in French
- ☐ Over-the-counter services are available in French
- ☐ Written correspondence and telephone service are available in French
- ☐ Translation of written material produced for public use is available in French
- ☐ Other \_\_\_\_\_ [please specify]

Please list any services or locations in designated areas where these French language services are not being provided. Please explain.



**SCHEDULE I**  
**2016 SOCIAL INFRASTRUCTURE FUND**  
**ANNUAL APPRENTICESHIP REPORT**

Service Manager: \_\_\_\_\_ Reporting Period: \_\_\_\_\_

This report is to confirm the activities used to promote apprentices, the projects using apprentices, and the number of apprentices employed in the current reporting year.

<b>Activities used to promote or support apprentices</b>	
<b>Projects employing apprentices including number of new apprentices employed this reporting period</b>	<b>Project Name</b> <b># new apprentices employed*</b>

*\* additional apprentices employed this reporting period*

I certify, to the best of my knowledge, that the information provided above is true and correct.

Prepared By: \_\_\_\_\_  
Print Name and Title Signature

Approved By: \_\_\_\_\_  
Print Name and Title Signature

Date Submitted: \_\_\_\_\_





## **SCHEDULE J**

# **2016 Social Infrastructure Fund Program Guidelines**

## **Introduction**

The 2016 federal budget announced the federal government's Social Infrastructure Fund (2016 SIF) that included the following investments in housing:

- An increase to the funding commitment under the current Investment in Affordable Housing (IAH) program (totalling \$168.3 million over two years);
- Funding for the construction and renovation of affordable housing for seniors (\$67.2 million over two years);
- Funding for the renovation and retrofit of social housing (\$209.3 million in 2016/17); and
- Funding for the construction and renovation of shelters and transitional housing for survivors of domestic violence (\$27.9 million over two years).

The province is cost-matching the increase to the IAH Program over a three year period, resulting in over \$640 million in new housing funding through the 2016 SIF for Ontario.

The 2016 SIF will be delivered through the existing Federal-Provincial Agreement for Investment in Affordable Housing, a proven flexible model that will ensure a quick roll-out of funding. Funding allocations will be provided to Service Managers (SMs) for 2016/17 and 2017/18. SMs will be able to use funding to deliver tailored programs that incorporate local considerations to respond to provincial priorities.

## **Scope of the Guidelines**

The Program Guidelines describe the various program components for the additional IAH funding and seniors funding (to be delivered as one program – 2016 SIF IAH), and the program requirements for the renovation and retrofit of social housing program – to be known as the Social Housing Improvement Program (SHIP).

The funding for the construction and renovation of shelters and transitional housing for survivors of domestic violence will be delivered through the Ministry of Community and Social Services and are not included in these Program Guidelines.

Please note that the Program Guidelines may be updated on an as needed basis and changes will be communicated to SMs.

## **Role of the Service Manager**

Service Managers are responsible for:

- Entering into an Administration Agreement with the province for the 2016 SIF IAH and SHIP
- Completing and updating a Program Delivery and Fiscal Plan (PDFP) outlining how their notional funding allocation will be used under the 2016 SIF
- Developing application processes for the selected 2016 SIF IAH program components, if applicable
- Selecting and recommending Rental projects for Ministry approval
- Approving Homeownership, Ontario Renovates and SHIP projects
- Entering into funding agreements with housing proponents/landlords/clients
- Advancing payments to proponents, housing providers, or clients based on agreed upon milestones
- Monitoring projects to ensure timely completion and occupancy
- Fulfilling reporting requirements as per the Administration Agreement
- Adhering to indemnification provisions as per the Administration Agreement
- Preventing and resolving issues for projects that encounter difficulties
- Participating in communication events pertaining to the 2016 SIF as per the Communications Protocol Requirements outlined in Schedule F of the Administration Agreement.

SMs may engage third party agencies to deliver the 2016 SIF but retain all responsibilities for program delivery.

The Ministry is available to assist SMs with the implementation of the 2016 SIF in their communities. SMs are encouraged to liaise with their Ministry contacts for more information (see Appendix A for Ministry contact information).

## **2016 SIF Program Objectives**

The 2016 SIF program supports the two overarching outcomes of the Long-Term Affordable Housing Strategy:

- Decreased number of people who are homeless
- Increased number of households achieving housing stability

The 2016 SIF program has the following key objectives:

- Address the affordable housing needs of specific identified priorities.
- Reduced number of households in need by improving access to affordable housing that is sound, suitable, and sustainable for priority households across Ontario.
- Reduced demand for services and institutional living by increasing and extending independent living for seniors and persons with disabilities.
- Offer funding for an array of housing options that address affordable housing needs for identified priority groups across the housing system.
- Increased resources available to address housing needs of households by encouraging contributions by others including the private and not-for-profit sectors.

- Incorporate energy efficiency and accessibility into affordable housing units and building design.
- Reduced greenhouse gas emissions as a result of increased energy efficiency in social housing stock.
- Extended useful life and long term physical sustainability of social housing projects.
- Promote and support the use of apprentices and the training of skilled labour.

## Program Delivery and Fiscal Plan

Each SM is required to develop and submit a Program Delivery and Fiscal Plan (PDFP) through the Grants Ontario System (GOS) that outlines how the 2016 SIF annual funding allocations will be used over the two-year funding period (2016/17 and 2017/18). The Ministry requires the PDFP to support the goals and address the needs outlined in SMs' Housing and Homelessness Plans, and be consistent with the identified provincial priorities.

PDFPs must be Council/Board (or delegated authority) and Ministry approved prior to receiving any 2016 SIF funding approval.

- The PDFP is intended to be a concise document that identifies:
  - The 2016 SIF IAH components the SM will deliver in each of the two years of the program and how the selected components address the identified priorities and meet the needs identified in the SM's Housing and Homelessness Plan.
  - The number of units expected to be developed and households to be assisted under the selected components in each year of the program.
  - The number of senior units expected to be developed and/or repaired and approximate funding projected to be committed to senior projects/households from each year's funding allocation.
  - The amount of funding from each year's funding allocation to be used for the selected 2016 SIF IAH components.
  - The amount of funding projected to be committed to projects/households quarterly under the 2016 SIF IAH capital components and SHIP.
  - Proposed quarterly expenditures and agreement information under the Rent Supplement and Housing Allowance streams.
  - Quarterly cash flow requirements and actual quarterly payments over the life of SHIP. (The cash flow statement will be submitted as an attachment to the PDFP)
  - The client groups to be targeted under the selected components.
  - The amount of funding from each year's funding allocation to be used for administration fees.

The PDFP confirms the SM's commitment to use their total notional funding allocation for the program. The Ministry will be using the PDFPs to track each SM's progress against their allocation and will use this information to provide reports to Canada Mortgage and Housing Corporation (CMHC).

The initial PDFP must be submitted to the Ministry for approval no later than September 1, 2016. SMs are required to update their PDFPs – including the cash flow statement under SHIP – on a quarterly basis. Updates will include the SM's progress (i.e. actual commitments, and Operating and SHIP component payments) against their planned commitments.

PDFP Due Date	Description
September 1, 2016	Initial PDFP to Ministry for approval
December 15, 2016	Year 1 Third quarter PDFP update
March 15, 2017	Year 1 Fourth quarter PDFP update and revisions to Year 2 program year allocations
July 15, 2017	Year 2 First quarter PDFP update
October 15, 2017	Year 2 Second quarter PDFP update
December 15, 2017	Year 2 Third quarter PDFP update
March 15, 2018	Year 2 Final PDFP update

Please note that ongoing reporting through the PDFP will be required on Operating component payments and SHIP program expenditures for the duration of these programs.

## 2016 SIF Funding Allocations

SMs will be provided with their notional funding allocations under the 2016 SIF IAH for both 2016/17 and 2017/18, and a funding allocation under SHIP for 2016/17. Funding cannot be reallocated across the two programs. Given the focus on economic stimulus, capital projects must begin construction/repair within three months of project commitment. As well, all projects must be completed within two years of commitment.

## Administration Agreement

SMs must enter into an Administration Agreement with the province to participate in the 2016 SIF. The Administration Agreement contains an accountability framework between the province and SMs and outlines the roles and responsibilities of the SM.

The Administration Agreement outlines:

- Financial provisions (i.e. administration fees, payment claims and financial accountability)
- Eligibility criteria
- Indemnification and repayment provisions
- Risk management protocols for projects facing difficulties
- Reporting, auditing and other accountability enforcement provisions
- Other requirements (e.g. French Language Services).

Administration Agreements should be signed no later than September 1, 2016.

## Duty to Consult

The province has a duty to consult and accommodate Indigenous peoples where it has knowledge of the potential existence of an Indigenous right or title and contemplates conduct that might adversely impact that right or title.

If such a duty arises in the context of making a decision to provide 2016 SIF funding, the province has an obligation to consult Indigenous peoples before the decision is made.

The Housing Division of the Ministry of Housing has established a protocol for assessing when a duty to consult may arise and with whom consultation may be required. Please contact your local Ministry contact (see Appendix A) if you have any questions or are uncertain if a proposed 2016 SIF project requires consultation.

## French Language Services

SMs providing a service to the public in connection with 2016 SIF and that have an office (including the offices of sub-contractors) located in or serving a designated area must:

- Ensure services are provided in French; and,
- Make it known to the public (through signs, notices, other information on services, and initiation of communications in French) that services provided to and communications with the public in connection with the 2016 SIF are available in French.

The list of designated areas can be found in Appendix B.

SMs serving a designated area are required to complete and submit a French Language Services Report to the Ministry confirming that the SM is providing the requisite French language services. The report must be signed and submitted to the Ministry at the time of signing the Administration Agreement.

SMs are also required to submit annual French Language Services Reports confirming their continued compliance with the French language services requirements, by July 15<sup>th</sup> of each year.

## Environmental Assessment

Projects approved under the capital components of the 2016 SIF IAH and SHIP are subject to the *Canadian Environmental Assessment Act 2012* ("CEAA 2012"). SMs are required to check for compliance of the CEAA 2012 and provide confirmation to the Ministry. Please refer to Appendix C for the CEAA 2012 checklist. CEAA 2012 compliance does not apply to the Operating and Homeownership components.

## Communications Protocol

SMs participating in the 2016 SIF must agree to adhere to the CMHC-Ontario Agreement for Investment in Affordable Housing (2011-14) Communications Protocol. This is to ensure open, transparent, effective and proactive communications with citizens through ongoing public information activities that recognize the contributions of each party. This approach is consistent with the guiding principles established in the Memorandum of Understanding (MOU) signed by the federal and provincial governments, the Association of Municipalities of Ontario (AMO), and the City of Toronto on August 31, 2005.

## Important Dates

Date	Description
September 1, 2016	Last day to enter into Administration Agreement with the province and submit the Program Delivery and Fiscal Plan.
December 31, 2016	Last day for 2016/17 funding allocations to be committed under the Rental Housing component. For the Homeownership and Ontario Renovates components, SMs must have committed a minimum of 90% of their 2016/17 allocation to projects. Last day to enter and submit SHIP projects, along with confirmation of project funding agreement between the SM and housing provider, in GOS.
January 2017	Ministry begins reallocation process for uncommitted funding.
March 31, 2017	Last day for funding commitments to be made under SHIP.
December 31, 2017	Last day for 2017/18 funding allocations to be committed under the Rental Housing component. For the Homeownership and Ontario Renovates components, SMs must have committed a minimum of 90% of their 2017/18 allocation to projects.
March 31, 2018	2016 SIF IAH ends. No further funding commitments can be made.
March 31, 2019	Final deadline for disbursement of SHIP funding.
March 31, 2020	Final deadline for disbursement of 2016 SIF IAH funding to projects/clients under the Rental, Ontario Renovates and Homeownership components.
June 30, 2020	Final disbursement of Housing Allowance – Shared Delivery component funding.
March 31, 2024	Final deadline for disbursement of 2016 SIF IAH funding to landlords/clients under the Operating Direct Delivery components.

# 2016 SIF IAH



## 2016 SIF IAH Program Components

SMs will be provided with a funding allocation for both 2016/17 and 2017/18, which will include combined funding from the additional IAH investment and the new funding for seniors.

The 2016 SIF IAH program offers the following program components to SMs:

- Rental Housing component
- Homeownership component
- Ontario Renovates component
- Operating component
  - Rent Supplement stream
  - Housing Allowance Direct Delivery stream
  - Housing Allowance Shared Delivery stream

Details on each component are included in these Guidelines.

SMs have the flexibility to select the components they will deliver each year using their notional annual funding allocations. Planned commitments and projected take-up for selected program components must be identified in each SM's Program Delivery and Fiscal Plan (PDFP) – see page 3.

The 2016 SIF IAH will also offer an Off-Reserve Aboriginal Housing component to be delivered in partnership with Aboriginal Program Administrators. 2016 SIF IAH funding cannot be used On-Reserve.

## Targets for Priority Groups

The 2016 SIF provides a significant additional federal/provincial allocation to support affordable housing in Ontario over the next two years. During this time the federal government proposes to work with the provinces, territories and housing stakeholders to develop a National Housing Strategy, which is expected to inform federal investments in future years.

In the meantime, SMs are asked to give priority, in allocating 2016 SIF IAH funding, to tenants facing housing instability in social housing projects where operating agreements and/or federal subsidies have expired. This includes tenants of federal co-operative housing projects whose operating agreement expired prior to April 1, 2016. (N.B., The federal government is providing direct funding to federal co-operative projects with expiring operating agreements after April 1, 2016). Please note that 2016 SIF IAH funding cannot be used to meet the SM's service level standards.

The 2016 SIF IAH funding also provides an opportunity to make strategic investments to address some key themes identified through the Long-Term Affordable Housing Strategy Update. As a result, SMs are required to direct their remaining 2016 SIF IAH funding to meet the needs of one or more of the following priorities:

- Seniors
- Persons with disabilities including adults with developmental disabilities
- Four provincial priorities for ending homelessness (Indigenous peoples, youth, chronically homeless, homelessness following transitions from provincially-funded institutions and service systems)
- Projects that support provincial priorities of transit corridor intensification and/or community hubs.

The chart below outlines some ways 2016 SIF IAH funding may be used to address the provincial priority areas. Please note this is not an exhaustive list.

Priority Area	Examples
Projects with Expiring Operating Agreements	<ul style="list-style-type: none"> <li>• Provide a housing allowance to tenants of social housing units to maintain housing affordability where the operating agreement and/or associated federal subsidies have expired</li> <li>• Provide a housing allowance to tenants of federal co-operative housing projects whose operating agreement expired prior to April 1, 2016</li> <li>• Provide a housing allowance to tenants of Urban Native projects whose operating agreement has expired</li> </ul>
Seniors	<ul style="list-style-type: none"> <li>• New seniors affordable rental housing construction</li> <li>• Accessibility upgrades to affordable units to help seniors “age in place”</li> </ul>
Indigenous Peoples	<ul style="list-style-type: none"> <li>• Partner with local Indigenous groups to develop/support culturally-appropriate affordable housing</li> <li>• Provide a rent supplement to non-profit Indigenous housing providers to ensure deeper affordability of existing units</li> <li>• Provide housing allowances to Indigenous households</li> </ul>
Youth	<ul style="list-style-type: none"> <li>• Targeted housing allowances to youth transitioning from the child welfare system or other youth facing housing affordability challenges</li> </ul>
Chronically Homeless	<ul style="list-style-type: none"> <li>• Use a “housing first” approach by providing deep housing allowances to homeless individuals to help secure independent permanent housing and partner with a local services provider for the supports (N.B., 2016 SIF IAH funding cannot be used for support services)</li> <li>• Construction of affordable units targeted to house people who are chronically homeless</li> </ul>
Homelessness Following Transitions	<ul style="list-style-type: none"> <li>• Provide rental assistance through a housing allowance to individuals as they reach a transition point (e.g. discharge from psychiatric facility; correctional centre) to help them pay their rent</li> </ul>

	<ul style="list-style-type: none"> <li>• Construction of affordable housing units targeted to house people transitioning from provincially-funded institutions and service systems</li> </ul>
Persons with Disabilities	<ul style="list-style-type: none"> <li>• Create barrier-free new affordable rental housing</li> <li>• Provide accessibility upgrades to existing affordable housing</li> <li>• New construction of affordable housing for people with a developmental disability</li> </ul>
Transit Corridor Intensification / Community Hubs	<ul style="list-style-type: none"> <li>• Construction of new affordable rental housing along existing or planned transit corridors</li> <li>• Creation of new affordable rental housing as a component of community hub, offering educational, social services or health care services (N.B. 2016 SIF IAH funding can only be used for the housing portion of the community hub)</li> </ul>

If support services are required, SMs are responsible for ensuring that adequate ongoing support funding is in place. The Ministry encourages SMs to work with their Local Health Integration Network and local support services agencies to help coordinate and secure support services with the affordable housing created under the 2016 SIF IAH.

## Seniors

Dedicated funding of \$33.6 million in both 2016/17 and 2017/18 is available for projects with rental units for low-income seniors and/or for repairs to affordable housing for seniors. The Ministry will monitor proposals from SMs, and take-up of funding to ensure the capital seniors funding requirements are being met. The Ministry retains the right to reallocate funding if the dedicated seniors funding requirements are not being met.

To be considered a low-income senior household, at least one person in the household must be a senior at the time of application. Priority should be given to seniors who are 65 years and over. SMs may lower this age limit according to local circumstances, provided they comply with all applicable laws and adhere to the Ontario and Canadian Human Rights Code.

## Funding Allocations

SMs will be provided with their notional funding allocation for both 2016/17 and 2017/18. This is based on the SM's share of households and the number of households in core need equally weighted.

Funding allocations are provided on a **'use it or lose it'** basis. Funds that are not committed\* by the required timelines may be reallocated to other SM areas as there are limited options to move funds between program years.

\*The following documentation is required to commit funds under the 2016 SIF IAH:

- Rental Housing – Contribution Agreement
- Homeownership – Approved project information in the Grants Ontario System (GOS), Agreement of Purchase and Sale
- Ontario Renovates – Approved project information in GOS, confirmation of security (mortgage or promissory note), executed Letter of Agreement or Funding Agreement (as required)
- Operating – Commitment letter from Ministry

## **Funding Commitments**

### *Capital Components*

Rental Housing component funding allocations must be committed by December 31<sup>st</sup> of each program year.

For the Homeownership and Ontario Renovates components, no more than 10% of each component's funding allocation may be planned for take-up in the fourth quarter of the respective program years. A minimum of 90% of the annual funding allocations for both components combined must be committed by December 31<sup>st</sup> of each program year.

### *Operating Component*

Allocations for the Operating component will be committed at the beginning of each program year through a letter from the Ministry based on the planned commitments identified in the Service Manager's approved PDFP. Expenditures must begin in that program year and in accordance with the cash flow projections. SMs are required to report on program take-up through their quarterly PDFP updates. The Ministry will provide quarterly payments, based on cash flow projections and actual expenditures.

## **Re-allocation**

- Under the capital components, all annual funding allocations must be committed to projects within specified timelines in each program year; otherwise, the outstanding funding allocation may be reallocated to other SMs. The Ministry will review SMs' third quarter PDFP updates for each program year to determine whether funding targets will be met and whether re-allocation is needed.

Any funding that is re-allocated from a SM will be deducted from that SM's total overall allocation.

## Administration Fees

SMs may use up to 5% of their total funding allocation to assist with the administration costs of the 2016 SIF IAH. SMs are responsible for determining the amount required by program year and identifying these amounts in their PDFPs.

SMs **must not** exceed 5% when determining their total administration fee amount. SMs may elect to set their administration fee amount below 5% in order to provide more funding to the program components.

Administration fees will be paid to SMs quarterly as per the amounts identified in the PDFP.

## Reporting

2016 SIF IAH reporting consists of updating and submitting the PDFP with SM progress on a quarterly basis and completing reports specific to each program component as described in their respective sections of the Administration Agreement.

It is expected that all component-specific reports will be completed and submitted through the Ministry's Grants Ontario System (GOS).

This reporting ensures compliance with the provisions of the CMHC-Ontario Agreement for Investment in Affordable Housing, the 2016 Social Infrastructure Fund Agreement and other established program requirements.

## Stacking Provisions

The following stacking provisions are **not allowed** for the 2016 SIF IAH:

- Rental Housing component funding must not be combined with Ontario Renovates component funding for the same units.
- Ontario Renovates component funding must not be applied to units that have previously received AHP (2005), AHP Extension (2009) or IAH funding under the Rental and Supportive or Rental Housing components.
- Ontario Renovates component funding must not be approved for a homeowner who received previous Homeownership component funding under the AHP or IAH for the same unit.
- Funding under different streams of the Operating component cannot be combined.

*Example: A unit receiving funding under the Rent Supplement stream cannot also house a rental household receiving funding under the Housing Allowance stream.*

- Capital funding must NOT be applied to social housing projects/units as defined under the *Housing Services Act, 2011* (e.g. demolition and replacement or repair of existing social housing units)  
*Social housing redevelopment which involves building new affordable rental units/additions on social housing sites may be eligible (see "Rental Housing Component" for more details).*

The following stacking provisions **are allowed** for the 2016 SIF IAH:

- Rental Housing or Ontario Renovates (Multi-Unit Rehabilitation) component funding may be combined with Operating component funding for the same units.  
*Example: A project may receive Rental Housing funding to create 5 units; the SM may use Rent Supplement funding for those 5 units to provide deeper affordability.*
- Ontario Renovates component funding may be approved for a unit that previously received funding under another federal and/or provincial repair-type program (e.g. Northern Repair, Residential Rehabilitation Assistance Program (RRAP), emergency repairs funded under the Community Homelessness Prevention Initiative, Ontario Renovates), provided the repair addresses a need or condition of work which has not been previously funded.  
*Example: A homeowner who previously received RRAP funding to repair their roof may be eligible to receive funding under IAH Ontario Renovates to install a ramp for greater accessibility.*
- Operating component funding may be used to preserve affordability for tenants of social housing projects upon expiry of their operating agreements and/or federal subsidies.  
*Please note that 2016 SIF IAH Operating component funding cannot be used to meet an SM's Service Level Standards*
- Operating component funding may be used to preserve affordability for tenants of federal co-operative housing projects whose operating agreement expired prior to April 1, 2016.

## ***Rental Housing Component***

The Rental Housing component will:

- Increase the supply of rental housing for households on, or eligible to be on, social housing waiting lists.
- Ensure that safe, adequate and affordable rental housing is available to Ontario households who meet one or more of the priorities identified for the 2016 SIF IAH.

### **Eligibility Criteria - Projects**

Eligible projects must be one of the following:

- New construction, including additions and extensions
- Acquisition and, where required, rehabilitation of existing residential buildings to maintain or increase the affordable rental housing stock
- Conversion of non-residential buildings or units to purpose-built rental buildings/units

The 2016 SIF IAH includes \$33.6 million in dedicated capital funding in each of 2016-17 and 2017-18 for seniors housing. The Ministry will monitor proposals from SMs and funding take-up to ensure the seniors funding requirements are met for each year. SMs should consider the funding requirement for senior's housing when evaluating proposals. The Ministry retains the right to reallocate funding to ensure this funding target is met.

Social housing redevelopment which involves building new affordable rental units/additions on social housing sites may be eligible provided that the appropriate ministerial or service manager consent, as applicable, is obtained as per the *Housing Services Act, 2011*.

Projects that are **not eligible** include:

- Secondary suites in owner-occupied housing
- Nursing and retirement homes
- Social housing projects/units that receive ongoing federal and/or provincial subsidies (e.g. demolition and replacement of existing social housing units)
- Shelters and crisis care facilities
- Owner-occupied housing
- Student residences

### **Eligibility Criteria – Units**

Units must be modest in size and amenities relative to other housing in the community. Units are expected to be self-contained unless a rationale is provided. Proponents who wish to develop congregate living buildings (rooms with shared living spaces) for supportive housing may be eligible for program funding and should provide a rationale in order to receive funding.

SMs may establish size and amenity requirements. If SMs do not set size requirements, the following provincial average size requirements should be used as a guideline for new construction projects.

Unit Type	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
<i>Apartment</i>	41.8 m <sup>2</sup>	60.4 m <sup>2</sup>	79.0 m <sup>2</sup>	92.9 m <sup>2</sup>	111.5 m <sup>2</sup>
<i>Townhouse (Row houses)</i>	N/A	65.0 m <sup>2</sup>	83.6 m <sup>2</sup>	102.2 m <sup>2</sup>	120.8 m <sup>2</sup>

## Project Submission Process

SMs will solicit proposals and select rental housing projects to recommend to the Ministry for funding approval. All procurement processes must be in accordance with the *Municipal Act, 2001*.

SMs will submit recommended projects for the Ministry's consideration as per their allocation set out in their PDPF.

Recommended projects shall:

- Be approved by council and/or board based on municipal/board procurement practices and in accordance with the *Municipal Act, 2001*.
- Have all required municipal approvals such as zoning, minor variances, land severances, or site plan approvals in place to permit the proposed development, or be well advanced in the planning approvals process.
- Be able to sign a Contribution Agreement (CA) no later than December 31st of each program year.
- Start construction within three months after signing a Contribution Agreement.
- Be completed within two years of the date of the Contribution Agreement.
- Be financially viable from a construction and operating cost perspective – based on SM confirmation.
- Meet the current Ontario Building Code and Canadian Environment Assessment Act, 2012 (CEAA 2012) requirements.
- Have rents that on average for the project are at or below 80% of the CMHC Average Market Rent (AMR) for the community or as approved by the Ministry for a minimum of 20 years (see "Affordability Criteria and Rents" on page 18 for additional details).
- Provide the required equity, if applicable – 10% for private proponents; 4% for partnerships between private sector and non-profit organizations; 0% for non-profit organizations.
- Have confirmation of support services, if applicable.
- Address housing needs consistent with provincial priority areas.
- Have an occupancy plan in place to ensure that units will be occupied in a timely manner.

SMs are required to give priority consideration to the employment of apprentices in the residential housing sector during the project evaluation and selection process. SMs are required to report on the initiatives/activities used to promote or support apprentices, the number of apprentices employed in each project, and the type of trade the apprentices are training in.



Given a major focus of the 2016 SIF is on economic stimulus in the short-term, and the reduced timelines for construction start and completion, SMs should consider proposals that are “shovel-ready”.

Further, SMs are encouraged to give priority consideration to projects that:

- Have Contributions by Others, including the SM, host municipality, and proponent – to be used in partnership with 2016 SIF IAH funding.
- Are sponsored by providers that agree to project affordability periods beyond the minimum 20-year term to ensure the longer-term supply of the affordable housing stock.
- Have energy efficiency features that reduce and/or eliminate greenhouse gas emissions.
- Are fully accessible and/or have units that are accessible to persons with disabilities.
- Have support service funding in place, if applicable.

Recommended projects for commitment should be submitted to the Ministry up to November 30<sup>th</sup> of each program year. All projects must be submitted through the Grants Ontario System (GOS) along with additional project background information such as that contained in Council/board reports.

## **Project Approval Process**

Project approval will be based on construction readiness, ability to meet the program’s eligibility and mandatory timeline criteria, and alignment with the PDFP.

Once approved, a project will receive a Conditional Letter of Commitment (CLC) from the Ministry, which confirms Ministry approval and outlines the steps to take prior to signing a Contribution Agreement (CA).

The CA shall describe legal obligations and reporting requirements for the project. All SMs are required to enter into CAs directly with proponents.

As funding allocations must be committed for each year of the program, the deadline to execute CAs is December 31st of each program year to allow time for re-allocation of funds if necessary. SMs that have not signed a CA or have not begun construction by the required dates may have their funding re-allocated.

## **Funding**

Funding for the Rental Housing component is provided as a forgivable capital loan that is available during the construction phase of the project.

The 2016 SIF IAH Rental Housing component will fund up to 75% of the total capital cost per unit or \$150,000 per unit, whichever is less. Total capital costs include land, financing, hard (construction) and soft costs but less any HST rebates. An example is provided below.

Example: 10 unit project

Total Capital Cost = \$1,800,000

Total Capital Cost per unit =  $\$1,800,000 \div 10 = \$180,000$

2016 SIF IAH Rental Housing funding per unit is the lesser of:

(a) 75% of \$180,000 = \$135,000 or

(b) \$150,000

The maximum funding per unit will be \$135,000.

The total maximum 2016 SIF IAH Rental Housing funding for the project will be \$1,350,000.

SMs may set variable amounts of funding per unit based on factors such as unit bedroom size, unit type (e.g. low-rise apartment, high-rise apartment, townhouse), or geographic location of the project within the SM's service area. SMs are also encouraged to support projects that incorporate enhanced energy efficiency and/or accessibility measures.

SMs are required to perform their due diligence to ensure that a project is financially viable from a construction cost and on-going operating context and that costs per unit are accurate.

Canada Mortgage and Housing Corporation has developed an Affordable Housing Project Viability Assessment Tool which can help determine a project's financial viability based on preliminary calculations. The tool is available at [www.cmhc.ca/en/inpr/afhoce/afhoce/tore/into\\_001.cfm](http://www.cmhc.ca/en/inpr/afhoce/afhoce/tore/into_001.cfm).

The Ministry, at its discretion, may require an independent analysis to confirm project financial viability.

## **Payment Process**

The Ministry will advance funding directly to SMs, who will be responsible for making project payments to housing proponents. SMs will advance funds to proponents based on the completion of construction milestones and compliance with the program requirements.

Funding will be advanced to SMs in three instalments:

- 50% at signing of CA, registration of security, 1st available building permit, and construction start
- 40% at completion of structural framing for new construction or fifty percent completion for acquisition and rehabilitation projects
- 10% at confirmation of occupancy, submission of Initial Occupancy Report and Confirmation of Employment of Apprentices Report, and submission of an updated capital cost statement in a form acceptable to the Ministry

SMs must also obtain and submit to the Ministry an audited capital cost statement within six months following the initial occupancy date of projects, or such additional time acceptable to the Ministry.

The Ministry may consider accelerated payments for projects sponsored by non-profit proponents on a case-by-case basis.

SMs will be required to submit signed payment checklists and documentation in GOS when requesting each payment.

All final payments (10% at confirmation of occupancy) are required to be made within two years of signing the Contribution Agreement, but in any event not later than March 31, 2020. SMs are required to ensure that all projects are completed and request the final payment prior to this deadline.

## **Targets for Special Priority Groups**

SMs are required to direct Rental component funding consistent with one or more of the identified priorities including:

- Seniors - dedicated funding is available for projects with rental units for low-income seniors
- Four provincial priorities (Indigenous peoples, youth, chronically homeless, homelessness following transitions from provincially-funded institutions and service systems)
- Persons with disabilities including adults with developmental disabilities
- Projects that support provincial priorities of transit corridor intensification and/or community hubs.

The tenant groups must also be on, or eligible to be on, social housing waiting lists.

## **Supportive Housing**

The Ministry encourages SMs to work with their Local Health Integration Network and local support services agencies including those that provide services to people with mental health or addiction issues to help coordinate support services with the affordable housing created under the 2016 SIF IAH.

## **Affordability Criteria and Rents**

Projects approved under the Rental Housing component must remain affordable for a minimum period of 20 years. Affordability is defined as having rents for the project that are at or below 80% of CMHC Average Market Rent (AMR) at the time of occupancy. Average rent is calculated using actual rents paid by tenants and any rent supplements provided by the Service Manager.

While individual unit rents may be set above or below the 80% threshold, in no instance shall a 2016 SIF IAH-funded unit have a rent that is greater than the CMHC AMR for the area.

If CMHC AMRs are not available for certain communities, or in instances where in the opinion of SMs the CMHC AMRs do not reflect the actual AMRs in the local market area, SMs may request an alternate AMR by submitting a business case including a local market rent survey for the Ministry's consideration.

Projects may include both 2016 SIF IAH and market units, but only units with rents that meet affordability requirements will receive 2016 SIF IAH funding.

If rent supplements are used for 2016 SIF IAH-funded units to provide deeper affordability for tenants, the Service Manager shall ensure that total rent received by a proponent, including rent from the tenant and any rental supplements from the Service Manager or other party shall not exceed 100% of CMHC Average Market Rent. In addition, the total of the rent paid by the tenant and any federal and/or provincially funded rent supplements paid to the proponent must be used to calculate the weighted average rent in a project.

Rent increases after initial occupancy must be made in accordance with rules established in the *Residential Tenancies Act* (RTA). New rental buildings (built after 1991) are technically exempt from RTA rent increase guidelines, but are subject to terms and conditions in the Administration Agreement. The Administration Agreement states that rent increases follow the RTA rent increase guidelines, but must still remain at 80% of CMHC AMR.

The Ministry updates AMR rent level information on its website annually at [www.mah.gov.on.ca](http://www.mah.gov.on.ca).

## **General Program Requirements**

The following general program requirements apply to projects approved under the Rental Housing component:

### **Construction**

- Projects must start construction within three months of signing a CA.
- Projects that do not start construction within three months of signing a CA will have 2016 SIF IAH program funding withdrawn and re-allocated.
- Written confirmation of construction start must be provided to the Ministry.
- Site inspections will be conducted at the discretion of the Ministry.
- Projects must complete construction within two years of signing a CA.

### **Municipal Property Tax**

- SMs are required to either:
  - Reduce property taxes for Rental Housing projects by setting it at a rate equivalent to, or lower than, the single residential rate for the area; or
  - Provide a grant in lieu of this property tax reduction.

### Municipal Housing Facility Bylaw

- SMs are required to have a Municipal Housing Facility Bylaw to enable municipal contributions according to *Municipal Act, 2001*.

### Equity

- Minimum 10% equity must be provided for projects sponsored by private proponents.
- Minimum 4% equity must be provided for projects sponsored by partnerships between private companies and non-profit organizations.
- No equity contribution is required for projects sponsored by non-profit or co-operative housing organizations to encourage participation by these groups in the program.
- Please note that private lenders may have additional equity requirements.

## Contributions by Others

In addition to the mandatory requirements of reducing property taxes/grants in lieu and providing required equity, SMs and proponents are encouraged to provide additional contributions in order to increase the financial viability of the project and/or to provide deeper affordability.

Contributions by SMs may include: waiving or reducing development charges, planning approvals application fees, building permit fees, and full property tax exemptions as well as contributions of municipal grants, and municipally-owned land.

Contributions by proponents may include: land or cash, including that from fundraising and donations.

## Energy Efficiency

The Ministry encourages the use of energy efficient features in building design and ENERGYSTAR-rated products should be used when available.

## Suite Meters

As of January 1, 2011, it is mandatory that suite meters be installed in all new social and affordable housing units.

The *Energy Consumer Protection Act, 2010* and Ontario Regulation 389/10 set out the rules for suite meter installation. For further information, please contact **the Ontario Energy Board's (OEB) Consumer Relations Centre at 1-877-632-2727 or 416-314-2455, or go to [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca)**.

Please note that although suite meters are required to be installed, the decision to bill tenants directly as a result of suite metering will be at the discretion of each housing provider.

## Indemnification and Repayment

There are obligations for all 2016 SIF IAH parties with regard to the indemnification and recovery of government funding. Specific obligations and provisions are included in the Administration Agreement.

The Ministry has developed the Affordable Housing Program and Investment in Affordable Housing Risk Mitigation Strategies Guide (2012) that provides best practices and clarification on preventing and resolving issues with affordable housing projects that may experience difficulties. The Guide can be found at:

<http://www.mah.gov.on.ca/Asset9886.aspx>.

In cases where a 2016 SIF IAH project encounters difficulties, the risk mitigation strategies outlined in the Guide may assist proponents and SMs.

## Reporting

SMs are required to update their PDFPs with their funding commitment projections under the Rental Housing component on a quarterly basis. Proponents will be required to report accordingly to the SM.

PDFP quarterly reports will be supplemented by regular GOS milestone updates along with progress reports to the Ministry contacts describing project progress and potential issues of concern that might delay or jeopardize the project.

SMs are also required to complete an Initial Occupancy Report and Annual Occupancy Report once projects are completed and occupied.

In addition, SMs are required to obtain from the proponents and forward to the Ministry an audited capital cost statement within six months following the initial occupancy date, or such additional time acceptable to the Ministry.

This reporting ensures compliance with the provisions of the CMHC-Ontario Agreement for Investment in Affordable Housing Program Agreement, the Supplementary Agreement No. 1, the 2016 Social Infrastructure Fund Agreement and other established program requirements. All reports and updates are to be submitted through GOS, where possible.

## ***Homeownership Component***

The Homeownership component aims to assist low to moderate income renter households to purchase affordable homes by providing down payment assistance in the form of a forgivable loan.

Specific objectives are:

- To provide renter households with an opportunity to move into homeownership.
- To ease the demand for rental housing by assisting renter households to purchase affordable homes.
- To encourage developers to build affordable housing by fostering demand.

### **Eligibility Criteria**

To be eligible for down payment assistance, prospective purchasers must:

- Be a renter household buying a sole and principal residence in a participating SM area.
- Have household income at or below the 60th percentile income level for the SM area or the province, whichever is lower (see Appendix D).
- Meet any additional criteria as established and communicated by the SM.

Household income verification is the responsibility of the SM.

Purchasers must be selected and approved through a fair and open process developed by the SM based on local criteria and defined needs specified in the SM's PDFP.

### **Purchase Price**

The purchase price of a home must not exceed the average resale price in the SM's area. SMs may establish their own maximum house prices, provided they are lower than the average resale price in the SM area. Maximum house prices will be updated on a quarterly basis and provided by the Ministry.

### **Eligible Unit Types**

Resale or new homes (including conversions from non-residential use that include a new home warranty) are eligible unit types under the Homeownership component.

Homes may be detached, semi-detached, town (condo and freehold), stacked homes, row houses, apartments or other similar built forms approved by the Ministry. SMs may also choose to include duplexes as eligible units.

Homes must be modest in size, relative to community norms, in terms of floor area and amenities, as determined by the province and/or the SM.

Home inspections are required for all resale homes and are strongly recommended for new homes.

## **Eligible Client Groups**

SMs are required to direct Homeownership component funding consistent with one or more of the identified priorities (e.g., persons with disabilities, Indigenous peoples).

## **Education and Training**

SMs must ensure education and training on the home buying experience – including financial guidance around the up-front and on-going costs of homeownership – and on the obligations and benefits of being a homeowner are offered to purchasers approved under the Homeownership component.

Canada Mortgage and Housing Corporation website has a number of tools, worksheets, calculators and guides to assist and inform interested home buyers. This information can be found at <http://www.cmhc.ca/en/co/buho/index.cfm>.

## **Service Manager Revolving Loan Fund (RLF)**

Creation and maintenance of a dedicated account / revolving fund is a prerequisite of program participation. SMs with an already-established RLF of 20 years are eligible to receive 2016 SIF IAH Homeownership component funding.

SMs that do not have a RLF established will need to ensure that one is created and maintained for at least a 20-year period with the option of phasing out after 15 years.

## **Funding**

Funding is provided as a down payment assistance loan for eligible purchasers. Assistance is forgiven after a minimum of 20 years – the affordability period for the Homeownership component. SMs may choose to require a forgiveness period of more than 20 years.

The amount of down payment assistance for each eligible purchaser will be determined by the SM, to a maximum of \$50,000 per eligible unit.

Total funding advanced by each SM must not exceed 10% of the sum of purchase prices for all units acquired by eligible purchasers – other than units acquired from Habitat for Humanity affiliates as they are exempt from this calculation.

If a SM elects to provide less than 5% down payment assistance, the primary lending institution and/or insurance provider may require additional equity to be contributed by the purchaser.



## Partnerships

SMs partnering with non-profits like Habitat for Humanity or private developers should encourage the employment of apprentices to build new home units.

### SM Tip

SMs may choose to provide a top-up to down payment assistance from their RLF for households with dependents. This is to provide additional support to potential purchasers who face more challenges to save for a down payment and who would need to spend more to buy a home with adequate space. Top-up funding amounts from an RLF would be determined by the SM, and would not count as part of the 10% average funding limit.

## Funding Commitment

A minimum of 90% of the annual Homeownership component funding allocation must be committed to eligible purchasers of eligible units by December 31<sup>st</sup> of each program year. If a SM has not met this threshold, the Ministry may reallocate funds to another SM to ensure full commitment of program funding.

## Payment Process

SMs are to provide down payment assistance to eligible purchasers at the time of closing on the purchase of the home; when a mortgage can be registered on title. Please note that 2016 SIF IAH funding may not be used for deposits toward eligible units.

Once an eligible purchaser has been approved by the SM, the required project information – along with a copy of the Agreement of Purchase and Sale (APS) – must be submitted to the Ministry through the Grants Ontario System (GOS).

Payments to SMs will be made within 15 business days of project approval, or within seven days of the closing date of the sale of the unit, whichever is later. All payments must be made to approved home purchasers by March 31, 2020.

## Conditions for Repayment by Homeowner

Repayment of the original down payment contribution must be made if the following situations occur while the 2016 SIF IAH Homeownership loan is outstanding:

- The unit is sold or leased.
- The unit is no longer the sole and principal residence of the loan recipient.
- The loan recipient becomes bankrupt or insolvent.
- The loan recipient misrepresented their eligibility for the program.

- The loan recipient used the proceeds of the loan for a purpose other than the acquisition of the unit.
- The death of the loan recipient.

Traditional interest will not be charged on the assistance. The original loan amount and the percentage share of the realized capital gains proportionate to the down payment assistance must be repaid in the above cases. For example, if the purchaser was assisted with 5% of the purchase price, the loan amount plus 5% of any capital gains/appreciation would have to be repaid.

If a unit is sold for less than the original purchase price, the difference between the down payment assistance and the depreciated amount will be repayable.

- Amount payable = Loan – (original purchase price – resale price)

For example, if the down payment assistance was \$10,000 for a home originally purchased at \$100,000 and then sold for \$92,000:

- Amount payable = \$10,000 - (\$100,000 - \$92,000) = \$2,000
- If the same home is sold for \$85,000, the principal shall be forgiven.

The SM must be satisfied that the sale was at fair market value.

If a purchaser chooses to repay the down payment assistance without selling the home within the affordability period, the purchaser is still required to repay the proportionate percentage of any notional capital gain\* as of the date of repayment.

Only the principal amount would have to be repaid in the event of the death of a homeowner prior to the expiry of the affordability period.

Repayments are to be made into the RLF and redistributed under the Homeownership component in the SM's area.

*\*Notional capital gains will be calculated based on the current fair market value of the home at the time of repayment of the loan. Fair market value shall be based on an independent appraisal.*

## **Canada Mortgage and Housing Corporation (CMHC)**

In support of the Homeownership component, CMHC will recognize down payment assistance as owner's equity in its underwriting evaluation.

## **Reporting**

SMs are required to update and submit their PDFPs with their approved progress under the Homeownership component on a quarterly basis.

Participating SMs are also required to report annually to the Ministry on the progress of the Homeownership component through the Homeownership Annual Report.

The report will include information on:

- Number of households assisted/units financed through the program
- Number of occupants
- Price of unit
- Actual occupancy and closing dates
- Amount of 2016 SIF IAH subsidy
- Funding commitments to date
- Financial position of the RLF
- Other financial contributions

This reporting ensures compliance with the provisions of the CMHC-Ontario Agreement for Investment in Affordable Housing, the Supplementary Agreement No. 1, the 2016 Social Infrastructure Fund Agreement and other established program requirements. All reports and updates are to be submitted through GOS, where possible.

## **Documentation Required for Records**

SMs are responsible for retaining the following documents over the life of the program:

Eligibility information:

- The signed application form, including a declaration that all information is accurate
- The notice of assessment for all members of the household
- Copies of photo identification
- Unit eligibility information

Loan information:

- Agreements of Purchase and Sale
- 2016 SIF IAH loan agreement
- Mortgage registration documentation
- Title search

Payment documents and default actions:

- Records of all payments and defaults
- Confirmation of compliance with the terms of the Loan Agreement (e.g., letter confirming that the unit remains the sole and principal residence of the eligible purchaser)
- Record of actions taken by the SM and the participant on any defaults

## Ontario Renovates Component

The Ontario Renovates component provides financial assistance to renovate and/or rehabilitate affordable ownership and rental properties.

The objectives of Ontario Renovates are:

- To improve the living conditions of households in need through financial assistance to repair deficiencies in affordable ownership and rental properties.
- To foster independent living of seniors and persons with disabilities by providing financial assistance to support modifications and renovations to increase accessibility of affordable rental and ownership properties.
- To increase the supply of affordable rental housing by providing assistance to create secondary suites in existing single family homes.
- To respect the environment and to realize savings that will improve housing affordability over the long term through the use of energy-savings products or systems.
- To encourage and support the employment of apprentices.

The Ontario Renovates component consists of two sub-components:

- a) *Home Repair* to assist low to moderate income homeowner households:
  - Repair their home to bring to acceptable standards while improving the energy-efficiency of the unit.
  - Increase accessibility of their unit through modifications and adaptations.
- b) *Multi-Unit Rehabilitation* to assist:
  - Landlords of eligible affordable rental buildings to rehabilitate units that require essential repairs and/or modify units to increase accessibility.
  - Low to moderate income homeowners to create a new affordable rental unit in an existing single family home.

The 2016 SIF IAH includes \$33.6 million in dedicated capital funding in each of 2016-17 and 2017-18 for seniors housing. The Ministry will monitor proposals from SMs and funding take-up to ensure the seniors funding requirements are met for each year. SMs should consider the funding requirement for senior's housing when delivering the Ontario Renovates component. The Ministry retains the right to reallocate funding if this seniors funding target is not being met.

SMs are required to give priority consideration to the employment of apprentices in the renovation of Multi-Unit Rehabilitation projects (with the exception of projects that create secondary suites) during the selection process. SMs are required to report to the Ministry on the initiatives used to promote or support apprentices, the number of projects employing apprentices, the number of apprentices employed in each project, and the type of trade the apprentices are training in.

## General Eligible Activities and Costs

Eligible repairs for Ontario Renovates may include the following activities:

- Repairs and rehabilitation required to bring a home/unit to an acceptable standard while improving energy efficiency. Examples include, but are not limited to:
  - Heating systems
  - Chimneys
  - Doors and windows
  - Foundations
  - Roofs, walls, floors and ceilings
  - Vents, louvers
  - Electrical systems
  - Plumbing
  - Septic systems, well water, and well drilling
  - Fire safety
  - Other repairs may be considered, with supporting documentation, at the discretion of the SM
- Remediation for an overcrowded dwelling through the addition of habitable living space.
- Modifications to reduce physical barriers related to housing and reasonably related to the occupant's disability. Examples include, but are not limited to:
  - Ramps
  - Handrails
  - Chair and bath lifts
  - Height adjustments to countertops
  - Cues for doorbells/fire alarms
  - Other modifications may be considered, with supporting documentation, at the discretion of the SM
- Creation of self-contained secondary suites for affordable rental purposes and garden suites for seniors and/or persons with disabilities.

Other eligible costs may include labour and applicable taxes, building permits, legal fees, certificates, appraisal fees, inspection fees, drawing and specification and any other costs that the SM deems reasonable and that are agreed to by the Ministry.

Applicants who have previously received federal and/or provincial repair funding (e.g. Residential Rehabilitation Assistance Program (RRAP); IAH – Ontario Renovates; Northern Repair; Northern Remote Communities, CHPI funding) may be eligible for Ontario Renovates provided the repair/remediation/modification addresses a need or condition of work which has not been the subject of previous repair assistance.

Repairs must commence within 3 months of project commitment and be completed within two years. Copies of all financial invoices must be kept for reporting and audit purposes.

## Energy Efficiency

The Ministry strongly encourages the use of energy-saving products or systems for the required repairs to housing under the Ontario Renovates component. Examples include, but are not limited to:

- Window replacement using double pane, low E Argon windows.
- Roof replacement using attic insulation to a minimum of R40.
- Furnace replacement with an ENERGY STAR qualified furnace with a brushless DC motor.
- Toilet replacement with a low-flush or dual-flush toilet rated at 6 litres per flush or less.
- Replacement of water heater with an ENERGY STAR qualified instantaneous water heater.

## Ineligible Projects

The following projects are not eligible for Ontario Renovates funding:

- Retirement Homes, Long-Term Care Homes (including nursing homes).
- Units not subject to the *Residential Tenancies Act, 2006*.
- Projects that received funding under AHP (2005), AHP Extension (2009) – Rental and Supportive and IAH – Rental Housing.
- Units for which the homeowner received Homeownership component funding under the AHP or IAH.
- Social Housing units as defined under the *Housing Services Act, 2011*.
- Creation of new rental units (except secondary suites in a single family home and garden suites on the property lot of a primary residence).

## Project Submission Process

The SM is responsible for selecting and approving all eligible Ontario Renovates projects, monitoring progress and completion of projects, quality of work and for the advancement of funds.

Once an eligible project has been approved by the SM, completed project information along with proof of loan security (promissory note or mortgage registration) must be entered and approved in the Grants Ontario System (GOS) to confirm program take-up. The Ministry reserves the right to return an Ontario Renovates project for revision and resubmission if it is not consistent with the Program Guidelines.

Loans may be secured by promissory notes. If funding exceeds \$25,000, a mortgage registered on title is required upon project completion.

SMs must confirm that property taxes and mortgage payments are up-to-date. Insurance coverage should be in place for the full value of the home or project.

For *Home Repair* projects, SMs must provide a sign-back letter of agreement to each homeowner outlining the scope of work, funding commitment and roles and responsibilities of both the homeowners and the SM.

For *Multi-Unit Rehabilitation* projects, the SM must verify the following additional conditions:

- Certificate of insurance is provided, as appropriate.
- The SM and the proponent or homeowner have signed a Funding Agreement, which confirms that:
  - Rental projects must remain affordable for a minimum of 15 years (maintain rent levels at or below CMHC average market rents (AMR), and
  - Forgiveness of funding is earned at an equal rate per year for the minimum 15-year period.
- The proponent or homeowner is in compliance with the Funding Agreement.

SMs must ensure project status is updated and documents are posted in GOS on an on-going basis.

## **Funding Commitment**

A minimum of 90% of the annual Ontario Renovates component funding allocation must be committed to eligible homeowners or landlords by December 31<sup>st</sup> of each program year. If a SM has not met this threshold, the Ministry reserves the right to reallocate funds to another SM to ensure full commitment of program funding.

## **Eligible Client Groups**

SMs are required to direct Ontario Renovates component funding to one or more of the identified priorities including:

- Seniors - dedicated funding is available for the repair, or modifications of affordable rental and ownership units that house low-income seniors
- Persons with disabilities including adults with developmental disabilities
- Four provincial priorities (Indigenous peoples, youth, chronically homeless, homelessness following transitions from provincially-funded institutions and service systems)

## **Affordability Criteria**

### *Home Repair*

Under the Ontario Renovates Home Repair subcomponent, eligible households must:

- Have a household income at or below the 60<sup>th</sup> income percentile for the SM area or province, whichever is lower. SMs are responsible for household income verification. (See Appendix D)

- Own a home that is their sole and principal residence with a market value at or below the average resale price for the SM area provided by the Ministry.

The province will supply annual updates to the 60<sup>th</sup> percentile income figures and quarterly updates to the average resale price data. In communities where data is non-existent, market values may be determined by the SM. SMs may use these or more restrictive ceilings or figures, such as Household Income Limits (HILs).

### Multi-Unit Rehabilitation

Under the Ontario Renovates Multi-Unit Rehabilitation subcomponent, units must be modest relative to community norms in terms of floor space and amenities, with rents at or below the CMHC average market rent (AMR) for the SM area for the entire loan forgiveness period.

Projects (with the exception of projects that create secondary suites) that support the employment of apprentices must be given consideration during the selection process. Service Managers will be required to report on the initiatives used to promote or support apprentices, the number of apprentices employed in each project and the type of trade the apprentices are training in.

Renovations to rooming houses are eligible activities for funding under the *Multi-Unit Rehabilitation* subcomponent. Rooming house units must have rents at or below 60 percent of AMR levels for 1 bedroom units in the SM area.

The creation of affordable secondary suites in existing single family homes or garden suites on the property lot of a single family home are also eligible activities under the *Multi-Unit Rehabilitation* subcomponent. The household income of the incoming tenant must be at or below the 60<sup>th</sup> income percentile for the SM area or province, whichever is lower; however, SMs may establish more restrictive income limits. SMs must establish an approach for income verification in order to ensure that households in need are targeted. House value and income limits of the homeowner household may be set by, and are at the discretion of, the SM.

## **Funding**

Funding is provided in the form of a forgivable loan to the proponent / homeowner based on the cost of approved work items. SMs may vary the amount of funding per unit in order to address local priorities, to a maximum of \$50,000. The average funding across a SM's area must not exceed \$25,000 per unit. Funding for projects must not be greater than the cost of repairs net any HST rebates.

The period of forgiveness for *Home Repair* projects is a minimum of 10 years and for *Multi-Unit Rehabilitation* projects it is a minimum of 15 years. Both are forgiven at an equal rate per year over the affordability period. The earning of loan forgiveness begins on the date of repair completion.



Funding for accessibility repairs made to a home and/or unit, up to a maximum of \$5,000 is in the form of a contribution without an affordability period and does not require repayment provided the funds are used for their intended purpose.

The applicant is considered to be in default and any outstanding loan amount must be repaid if the following situations occur:

- The unit or project is sold.
- Rent levels are increased beyond allowable limits.
- Homeowners cease to occupy the unit as sole and principal residence.

If any of the following situations occur, the applicant is considered to be in default and the original loan amount must be repaid:

- Misrepresentation occurs related to eligibility for the program.
- Funding is used for other purposes.

Repayments made to the SM are to be reinvested into Ontario Renovates projects unless otherwise directed by the Ministry.

## **Payment Process**

The Ministry will transfer funds electronically on a quarterly basis to SMs based on their approved PDFP and actual funding take-up. Payments will be made to the Service Managers within 15 days following the receipt of the Service Manager's quarterly updated PDFP.

Once an eligible project has been approved by the SM, a completed project information form along with a promissory note or mortgage registration and funding agreement/letter of agreement must be entered and approved in GOS to confirm program take-up. Repair activities must start within three months of the date of the funding agreement/letter of agreement.

SMs are responsible for project selection and approval, monitoring progress and completion of projects, quality of work and for the advancement of funds. Repair activities must be completed within two years of the date of the funding agreement/letter of agreement. SMs must ensure project status is updated in GOS. Should project details – for example, completion dates – not be updated as required, payments to SMs may be reduced.

The Ministry will monitor SMs' progress under the Ontario Renovates component on GOS throughout the year. In particular, the Ministry will review progress at the end of the third quarter of each program year. SMs that have not demonstrated take-up of 90% or more of their yearly Ontario Renovates allocation by the end of the third quarter may risk losing their funds.

## Reporting

SMs are required to update and submit their PDFPs with their approved progress under the Ontario Renovates component on a quarterly basis.

SMs will also be required to submit the following reports:

- Post-Repair Occupancy Report upon the completion of Multi-unit Rehabilitation projects
- Annual Report (includes Annual Occupancy Reports for Multi-unit Rehabilitation projects throughout the affordability period of all Ontario Renovates projects)

SMs are required to create and submit reports through GOS and ensure that Project Information Form and rents are updated on an ongoing basis.

This reporting ensures compliance with the provisions of the CMHC-Ontario Investment in Affordable Housing Program Agreement, the Supplementary Agreement No. 1, the 2016 Social Infrastructure Fund Agreement and other established program requirements. All reports and updates are to be submitted through GOS, where possible.

## Operating Component

The objective of the Operating component is to address affordability issues of households in modest rental units across the province.

The Operating component consists of three streams:

- Rent Supplement
- Housing Allowance Direct Delivery
- Housing Allowance Shared Delivery.

A Rent Supplement is a subsidy paid to the landlord on behalf of a household in need of rental assistance. A Housing Allowance is a subsidy paid directly to a household in need of rental assistance. SMs have discretion to allow Housing Allowance payments to be made directly to landlords on their clients' behalf where they deem it appropriate and where the clients have chosen this approach and provided written direction and consent.

SMs may deliver the Operating component locally (Rent Supplement or Housing Allowance Direct Delivery) or in partnership with the province (Housing Allowance Shared Delivery). Under Housing Allowance Shared Delivery, the Ministry of Finance (MOF) provides certain administrative functions that include providing the portable monthly payments directly to eligible households.

SMs are allocated funding for the Operating component at the beginning of each year of the program, based on the commitments for each stream identified in their approved PDFPs.

- Note: Some SMs will continue to have separate concurrent Operating funding commitments under the 2011 IAH agreement and the IAH (2014 Extension).

SMs have the flexibility to move funds between their direct delivery streams, i.e. Housing Allowance Direct Delivery and Rent Supplement, at any time to meet their needs. This flexibility does *not* apply to Housing Allowance Shared Delivery. SMs may *not* move funds between the direct delivery streams and the Housing Allowance Shared Delivery stream, as the latter is governed by both the Administration Agreement and a separate agreement between the SM, the Ministry of Housing, and the Ministry of Finance. Once a SM's PDFP is approved, funding for Housing Allowance Shared Delivery is committed and cannot be moved to another stream.

SMs must give priority to tenants of social housing tenants in projects where operating agreements and/or federal subsidies have expired. Providing housing allowances or rent supplements is intended to promote housing stability for tenants who would otherwise face affordability challenges. Consideration should also be given to tenants of federal co-operative housing projects whose operating agreement expired prior to April 1, 2016.

Under the Operating component, SMs must make all funding commitments by March 31, 2018, but may extend funding for their clients up to June 30, 2020 (Shared Delivery) or March 31, 2024 (Direct Delivery).

## Stacking Provisions

To provide deeper affordability, SMs may use Operating component funding for units/households currently receiving, or having received, funding under the following programs:

- IAH or IAH (2014 Extension) Rental Housing and Ontario Renovates
- Off-Reserve Aboriginal Housing (Trust) Program

SMs may use Operating component funding for units/households having received funding **previously** under the following programs:

- Canada-Ontario Affordable Housing Program (AHP) (2005) or AHP Extension (2009) Capital components
- AHP (2005) Housing Allowance/Rent Supplement Program (HARS)
- IAH Operating components (Rent Supplement, Housing Allowance Direct or Housing Allowance Shared)

## Funding Allocations

Allocations will be committed at the beginning of each program year through a letter from the Ministry based on the planned commitments identified in the PDFP. SMs are required to demonstrate program take-up through their PDFP updates. SMs may contribute their own funding to the Operating component.

## Reporting – Direct Delivery Streams

### Initial PDFP

In their initial PDFP, SMs are required to break down their Operating component funding by streams and indicate the length of each stream, as well as subsidy levels and estimated number of units/households. SMs are required to make all funding commitments by March 31, 2018. However, they may extend funding for their clients up to March 31, 2024.

### PDFP updates

2016 SIF IAH reporting consists of updating and submitting the PDFP with SM progress on a quarterly basis and completing reports specific to the Operating component.

Reports will be completed and submitted through the Ministry's Grants Ontario System (GOS).

For their quarterly updates, SMs are required to track spending and client numbers separately for each stream. Quarterly PDFP updates must include, in the case of the

Rent Supplement stream, the number of occupied units, and in the case of the Housing Allowance streams, the number of eligible households.

SMs are also required to track the following information:

- Landlord agreements and agreements with third-party delivery agencies
- Approved client applications
- Target client groups. SMs must report on these in their annual PDFP update.

This reporting ensures compliance with the provisions of the CMHC-Ontario Agreement for Investment in Affordable Housing, the Supplementary Agreement No. 1, the 2016 Social Infrastructure Fund Agreement, the SM Administration Agreement, and other established program parameters.

## **Reporting – Shared Delivery Stream**

No quarterly updates are required from SMs through their PDFP updates for the Shared Delivery stream. The Ministry of Finance provides bi-weekly reports to both the SM and the Ministry on program expenditures, and clients assisted.

## **Payment Process**

### *Direct Delivery Streams (Housing Allowance and Rent Supplement)*

The Ministry will provide quarterly payments based on annual cash flow statements and actual expenditures.

Generally, payments to SMs are made on the first day of every quarter of the program year in advance for the upcoming quarter. However, fourth quarter payments are made on January 20<sup>th</sup> instead of the first day of the quarter to allow time for payment reconciliation.

Funds are transferred electronically to SMs. SMs must ensure that the Ministry has their latest banking information to receive these funds.

SMs advance monthly payments to landlords upon the signing of landlord agreements and updated unit occupancy figures. Under the Housing Allowance Direct Delivery stream, SMs pay households directly.

### *Shared Delivery Stream (Housing Allowance)*

MOF administers the Shared Delivery stream on behalf of Service Managers, and pays eligible households directly. No funds are transferred to SMs. Rather, the Ministry holds back funds from each SM's 2016 SIF IAH allocation as per the PDFP, Housing Allowance Shared Delivery stream, for use by MOF to pay clients.

## Client Eligibility

To be eligible for Operating component funding, households must be on, or be eligible to be on, social housing waiting lists and have household incomes that do not exceed the applicable Household Income Limits (HILs) in the annually amended Ontario Regulation 370/11 under the *Housing Services Act, 2011*.

Households in receipt of social housing rent-geared-to-income (RGI) subsidy or payments under any other rent support programs are not eligible.

For the purposes of the Operating component, “household” is defined as any family unit or single individual renting either a self-contained unit or a room in shared accommodation.

A rental unit or its occupants can receive only one type of subsidy, either under the Rent Supplement or Housing Allowance stream. In addition, a rental unit can receive only one Rent Supplement subsidy. A household can receive only one Housing Allowance subsidy; that is, two or more members of a household cannot each receive a subsidy under the Housing Allowance stream.

See “Stacking Provisions” above.

## Household Income Limits

If SMs are of the opinion that Household Income Limits (HILs) in the annually amended Ontario Regulation 370/11 under the *Housing Services Act, 2011* are too low and do not correlate with CMHC’s Average Market Rents (AMRs) for their areas, they can request in writing modifications to their HILs through their Ministry contacts (see Appendix A).

SMs should refer to the Average Market Rents section, below, for related information.

## Client Selection

Given the significant additional investment of federal-provincial funds over the next two years, SMs are asked to give priority to supporting affordability for tenants in social housing buildings with operating agreements and/or federal subsidies that have expired, or in federal co-operative housing projects whose operating agreement expired prior to April 1, 2016.

In addition to the priority referenced above, SMs are required to direct Operating component funding to meet one or more of the identified priorities including:

- Seniors
- Persons with disabilities, including adults with developmental disabilities
- Four provincial homelessness prevention priorities – Indigenous persons, the chronically homeless, youth, and homelessness following transitions from provincially-funded institutions and service systems (e.g. correctional facilities, hospitals, child welfare system)

SMs must report on any targeted client groups in their PDFP updates.

## **Unit Eligibility**

Self-contained units and congregate living arrangements are both eligible for funding.

Units may be in private buildings or in non-profit and co-operative projects and must be modest (at or below average market rent, see below) and in satisfactory state of repair. However, only market rent units in social housing developments are eligible, as program funding cannot be combined with rent-geared-to-income (RGI) assistance.

Units must meet local occupancy standards. SMs must establish local occupancy standards and include them in program information available to the general public.

## **Average Market Rents**

The Ministry updates AMR information on its website annually.

If CMHC AMRs are not available in certain communities, or if SMs are of the opinion that CMHC AMRs do not reflect the actual AMRs in the local market area, they may request an alternate AMR by submitting a business case, including a local market rent survey for the Ministry's consideration.

Each SM is responsible for defining what expenses are to be included in monthly rent for the purposes of the program and for ensuring that the monthly rent does not exceed local AMR.

If Operating component funding is used for units funded under the 2016 SIF IAH Rental Housing component to provide deeper affordability for tenants, the SM must ensure that the total rent received by a Rental Housing proponent, including rent from the household and Operating component funding from the SM or other party, shall not exceed CMHC's AMR.

## **Monthly Subsidy Amounts**

SMs must determine amounts to be paid to households (Housing Allowance streams) or landlords on behalf of each household (Rent Supplement stream).

## **Initial Income Testing (Direct Delivery stream)**

SMs must establish a clear set of rules to determine whether the applicant's household income is at, or below, HILs. These rules must be in writing and available to the general public. See also the Household Income Limits section, above.

## **Income Testing / Continued Affordability (Direct Delivery stream)**

SMs must conduct annual income testing of households to ensure continued eligibility for the Operating component, but may exempt specific types of households (e.g., seniors with fixed incomes). SMs are solely responsible for establishing the necessary rules, forms and procedures to meet this requirement.

For further information on the Housing Allowance Shared Delivery option, SMs should liaise with their Ministry contacts (see Appendix A).



# **Social Housing Improvement Program (SHIP)**

## Introduction

The Social Housing Improvement Program (SHIP) is a capital program that aims to improve and preserve the quality of social housing in the province and ensure its long term physical sustainability.

The objective of the program is to assist in the repair, and energy and water retrofit of existing social housing to address capital needs, improve energy efficiency and reduce greenhouse gas emissions.

This funding is not subject to any cost matching requirements by the Service Managers or the housing providers.

SHIP funding is not intended to replace activities supported by Federal funding received under the Housing Services Act (HSA) 2011.

## Funding Allocations

SMs have been provided with funding allocations for the program to allow for planning and program implementation. This allocation is based on the percentage of physical social housing units currently under the SMs' oversight. Funding allocations are provided on a "use it or lose it" basis. Funds that are not committed by the required timelines will be lost.

## General Eligible Activities and Costs

Social housing projects eligible for SHIP funding must fulfill the following criteria:

- As of April 1, 2016, the project was administered within a "Transferred Housing Program" in Schedule 1, Regulation 367/11 of the Housing Services Act (HSA), 2011.
- At the time of the commitment and use of the SHIP funding for the project, the project is still within a "Transferred Housing Program" in Schedule 1, Regulation 367/11 of the *Housing Services Act (HSA), 2011*.

However, projects within Transferred Housing Program No 2(A) and 2(B): Rent Supplement Program under the "Transferred Housing Program" in Schedule 1 are not eligible.

SMs must ensure that all funds go towards critical repair and renovation work by prioritizing capital needs that extend the long term physical sustainability of the social housing projects.

Renovation/retrofit activities eligible to receive SHIP funding include the following:

- Replacement or reconstruction of worn out or obsolete major buildings or site components, major building system or services, basic facilities and equipment, kitchen and bathroom facilities, safety features, parking facilities and walkways.

- Upgrading any of the foregoing to modest modern standards.
- Substantial modifications to provide or improve accessibility for persons with disabilities.

Additional activities eligible to receive SHIP funding include:

- Upgrades carried out for improving energy efficiency as determined by a qualified professional.
- Water conservation upgrades.
- Regeneration within the portfolio of existing eligible social housing including conversion of units, and demolition and reconstruction of all or part of a project.

The SM must ensure that in any redevelopment/regeneration project at least the previous number of RGI units is maintained at a minimum. Regeneration options should be considered if it assists in promoting long term financial viability, does not create operating deficits, and is consistent with SHIP program guidelines.

Soft costs are permitted under the program. They include project-related expenses such as professional services (e.g. architects, engineers), preparation of tender documents, charges and fees required for municipal approvals (e.g. building permit fees), building condition assessments, and energy efficiency audits. All soft costs as a proportion of total construction budgets must be in accordance with industry norms.

Repairs must commence within 3 months of the date of funding commitment of the project and completed within 2 years of the date of funding commitment. Copies of all financial invoices must be kept for reporting and audit purposes.

### Ineligible Expenditures

The following costs are not eligible capital expenditures:

- Costs for ongoing or routine maintenance and repairs, as these are already covered under an annual operating budget
- Costs related to repair projects already included in annual capital plans
- Construction of new social housing units outside the social housing portfolio

## **Energy Efficiency**

Energy efficiency work carried out in a building is expected to achieve minimum energy efficiency standard appropriate to the type of structure:

- Low rise building: 5 point increase on the EnerGuide for Homes scale.
- High-rise building: 15% improvement over the current baseline energy efficiency of the building/unit

The Ministry strongly encourages the use of energy-saving products or systems for the required repairs to housing under SHIP.

## Affordability Criteria

In all cases, funded social housing projects must remain affordable for a ten-year period after the completion of the funded repair/retrofit or regeneration activities, including a minimum of five (5) years during which it will operate as social housing under the *Housing Services Act, 2011*. This requirement applies regardless of any mortgage obligations or agreements between a Service Manager and housing provider.

“Affordable” means units rented at the low end of market rent as determined by the Service Manager.

### Funding

Funding is provided in the form of a capital contribution to the housing provider based on the estimated cost of approved work items. In order to provide significant flexibility for SMs to address capital repair needs of social housing projects, the Ministry has not set any limit on the maximum amount of funding per unit.

SMs must not reduce existing subsidy payments to social housing providers as a result of the new SHIP funding.

## Project Submission Process

The SM is responsible for selecting and approving all eligible SHIP projects, monitoring progress and completion of projects, quality of work and for the advancement of funds.

Once the ministry has approved the PDFPs and the individual projects are approved by the SM, the SM will enter project details as per the Project Information Form (PIF) into Grants Ontario System (GOS) to commit funding. The Ministry reserves the right to return a SHIP project for revision and resubmission if it is not consistent with the Program Guidelines. SMs must provide documentation outlining the scope of work and funding commitment for each project. All projects must be in GOS by December 31, 2016. The ministry will begin the funding reallocation process in January 2017 for uncommitted funding.

SMs must only approve projects that reflect value for money and make prudent use of public funds.

The SM must not approve a funding request unless the housing provider has agreed to operate the project as per the affordability requirements outlined above.

SMs must ensure project status is updated and documents are posted in GOS on an on-going basis.

## Contribution Agreements (CAs)

A contribution agreement to be established by the Service Manager must be signed between the SM and the housing provider for every project and submitted to the Ministry through GOS. The CA shall describe legal obligations and reporting requirements for the project. A fully executed CA must be in place prior to the SM making any payments to the housing provider under the program.

## **Payment Process**

SMs will receive initial program funding and Administration Fees in the first quarter as per the cash flow statement (CFS).

The primary purpose of the CFS is to indicate quarterly cash flow requirements over the life of the program, but no later than 2 years from the date of funding commitment. The quarterly cash flow request must be at or close to the time the funds are needed by the housing provider to pay for their relevant expenditures. No more than 10% of the SM allocation must be projected for disbursement in the last quarter.

The SM must also indicate in the CFS what portion of the allocation will be used as Administration Fees. SMs are allowed to use up to 5% of their funding allocation for administration costs.

The Ministry will make subsequent quarterly payments to SMs based on the projected cash flow statement. However, upon review of progress made by SM in a particular quarter, the Ministry may reduce the quarterly transfer payments to SMs in the case of insufficient progress.

While payments to SMs will not be based on development milestones of individual projects, SMs must flow funds to the housing providers based on pre-established project milestones for their respective projects.

## **Reporting**

A key condition of the federal funding is that program reporting take place quarterly on each project. SMs are required to report to the ministry on the status of each project during its repair, retrofit and regeneration activities. SMs must update progress on project activities and payments to housing providers regularly through GOS.

SMs must submit confirmation of construction start and completion for each project in GOS.

SMs must submit an Annual Program Compliance Attestation Report through the Grants Ontario System (GOS) by April 15 in each year until the expiry of the Ten Year Affordability Period for each social housing project that received SHIP funding.

## **Appendix A: Ministry Contacts**

### **Municipal Services Office – Central**

777 Bay Street 13<sup>th</sup> Floor  
Toronto, ON, M5G 2E5  
General Inquiry: 416-585-6226  
Toll Free: 1-800-668-0230  
Fax: 416-585-6882

Contact: Ian Russell, Team Lead, Regional Housing Services  
Tel: 416-585-6965  
Email: [ian.russell@ontario.ca](mailto:ian.russell@ontario.ca)

Serving: Durham, Halton, Muskoka, Peel, Simcoe, York

### **Municipal Services Office – Eastern<sup>1</sup>**

8 Estate Lane, Rockwood House  
Kingston, ON, K7M 9A8  
General Inquiry: 613-545-2100  
Toll Free: 1-800-267-9438  
Fax: 613-548-6822

Contact: Mila Kolokolnikova, Team Lead, Regional Housing Services  
Tel: 613-545-2123  
Email: [mila.kolokolnikova@ontario.ca](mailto:mila.kolokolnikova@ontario.ca)

Serving: Cornwall, Hastings, Kawartha Lakes, Kingston, Lanark, Leeds and Grenville, Lennox and Addington, Northumberland, Ottawa, Peterborough, Prescott and Russell, Renfrew

### **Municipal Services Office – Western**

659 Exeter Road, 2<sup>nd</sup> Floor  
London, ON, N6E 1L3  
General Inquiry: 519-873-4020  
Toll Free: 1-800-265-4736  
Fax: 519-873-4018

Contact: Tony Brutto, Team Lead, Regional Housing Services  
Tel: 519-873-4032  
Email: [tony.brutto@ontario.ca](mailto:tony.brutto@ontario.ca)

Serving: Brantford, Bruce, Chatham-Kent, Dufferin, Grey, Hamilton, Huron, Lambton, London, Niagara, Norfolk, Oxford, St. Thomas, Stratford, Waterloo, Wellington, Windsor

**Municipal Services Office – Northeastern**

159 Cedar Street, Suite 401  
Sudbury, ON, P3E 6A5  
General Inquiry: 705-564-0120  
Toll Free: 1-800-461-1193  
Fax: 705-564-6863

Contact: Cindy Couillard, Team Lead, Regional Housing Services  
Tel: 705-564-6808  
Email: [cindy.couillard@ontario.ca](mailto:cindy.couillard@ontario.ca)

Serving: Algoma, Cochrane, Greater Sudbury, Manitoulin-Sudbury, Nipissing, Parry Sound, Sault Ste. Marie, Timiskaming

**Municipal Services Office – Northwestern**

435 James Street, Suite 223  
Thunder Bay, ON, P7E 6S7  
General Inquiry: 807-475-1651  
Toll Free: 1-800-465-5027  
Fax: 807-475-1196

Contact: Peter Boban, Team Lead, Regional Housing Services  
Tel: 807-473-3017  
Email: [peter.boban@ontario.ca](mailto:peter.boban@ontario.ca)

Serving: Kenora, Rainy River, Thunder Bay

**Housing Programs Branch - Toronto**

777 Bay Street, 14<sup>th</sup> Floor  
Toronto, ON, M5G 2E5  
Fax: 416-585-7003

Contact: Walter Battello, Account Manager, Regional Services Delivery Unit  
Tel: 416-585-6398  
Email: [walter.battello@ontario.ca](mailto:walter.battello@ontario.ca)

Serving: Toronto

## Appendix B – List of Designated Areas under the French Language Services Act

Service Manager	Designated Area(s)
City of Toronto	All
<b>Central Region</b>	
Regional Municipality of Peel	City of Mississauga; City of Brampton
County of Simcoe	Town of Penetanguishene; Townships of Tiny and Essa
<b>Eastern Region</b>	
City of Cornwall	County of Glengarry; Township of Winchester; County of Stormont
City of Kingston	City of Kingston
City of Ottawa	All
United Counties of Prescott and Russell	County of Prescott; County of Russell
County of Renfrew	City of Pembroke; Townships of Stafford and Westmeath
<b>Western Region</b>	
Municipality of Chatham-Kent	Town of Tilbury; Townships of Dover and Tilbury East
City of Hamilton	All of the City of Hamilton as it exists on December 31, 2000
City of London	City of London
Regional Municipality of Niagara	City of Port Colborne; City of Welland
City of Windsor	City of Windsor; Towns of Belle River and Tecumseh; Townships of Anderdon, Colchester North, Maidstone, Sandwich South, Sandwich West, Tilbury North, Tilbury West and Rochester
<b>Northeast Region</b>	
Algoma District Services Administration Board	District of Algoma
Cochrane District Social Services Administration Board	All
City of Greater Sudbury	All
Manitoulin-Sudbury District Services Board	District of Sudbury
District of Nipissing Social Services Administration Board	District of Nipissing
District of Parry Sound Social Services Administration Board	Municipality of Callander
District of Sault Ste. Marie Social Services Administration Board	The part of the District of Algoma that is part of the district for the District of Sault Ste. Marie Social Services Administration Board
District of Timiskaming Social Services Administration Board	All
<b>Northwest Region</b>	
Kenora District Services Board	Township of Ignace
District of Thunder Bay Social Services Administration Board	Towns of Geraldton, Longlac and Marathon; Townships of Manitouwadge, Beardmore, Nakina and Terrace Bay



## **Appendix C: Canadian Environmental Assessment Act (CEAA)**

### **Pre-screening Guidelines**

The *Canadian Environmental Assessment Act, 2012* (the “CEAA 2012”) has replaced the *Canadian Environmental Assessment Act, 1992*. Under CEAA 2012, housing-related activities do not currently constitute physical activities as described in the *Regulations Designating Physical Activities*. Accordingly, the Pre-Screening Guideline (the “Guideline”) has been simplified and updated to reflect the provisions of the CEAA 2012 and replaces all previous versions of the Guideline.

SMs are required to consider this checklist when recommending project proposals to the Ministry for funding approval. SMs must confirm to the Ministry that the proposed project complies with the CEAA 2012, as per CMHC requirements. The answers to the two questions must be “NO” for the CEAA 2012 to be complied with.

- Is the project carried out on federal lands\*?
- Has the project been specifically identified by the Minister of the Environment in an Order Designating Physical Activities?

\*NOTE: “federal lands” includes lands that belong to, or that may be disposed of by, Her Majesty in right of Canada, but does not include lands under the administration and control of the Commissioner of Yukon, the Northwest Territories, or Nunavut.

## Appendix D: Maximum Household Income Level, 2016

CMSMs	Income at 60 <sup>th</sup> Percentile
Greater Toronto Area**	\$88,900
City of Toronto	
Regional Municipality of Durham	
Regional Municipality of Halton	
Regional Municipality of Peel	
Regional Municipality of York	
City of Brantford	\$78,900
City of Cornwall	\$72,200
City of Greater Sudbury	\$83,700
City of Hamilton	\$81,700
City of Kawartha Lakes	\$74,700
City of Kingston	\$83,300
City of London	\$78,500
City of Ottawa**	\$88,900
City of Peterborough	\$77,000
City of St. Thomas	\$78,500
City of Stratford	\$84,600
City of Windsor	\$78,800
County of Bruce	\$88,600
County of Dufferin**	\$88,900
County of Grey	\$75,000
County of Hastings	\$71,500
County of Huron	\$76,200
County of Lambton	\$82,600
County of Lanark	\$86,200
County of Lennox & Addington	\$78,400
County of Norfolk	\$81,300
County of Northumberland	\$81,300
County of Oxford	\$84,400
County of Renfrew	\$78,900
County of Simcoe	\$88,900
County of Wellington**	\$88,900
District Municipality of Muskoka	\$79,700
Municipality of Chatham Kent	\$68,900
Regional Municipality of Waterloo**	\$88,900
Regional Municipality of Niagara	\$77,600
United Counties of Leeds & Grenville	\$82,500
United Counties of Prescott & Russell **	\$88,900
Algoma DSSAB	\$62,500
Cochrane DSSAB	\$80,700
Kenora DSSAB	\$79,600
Manitoulin-Sudbury DSSAB	\$71,800
Nipissing DSSAB	\$75,700
Parry Sound DSSAB	\$72,000
Rainy River DSSAB	\$72,200
Sault Ste. Marie DSSAB	\$76,700
Thunder Bay DSSAB	\$79,100
Timiskaming DSSAB	\$65,600
<b>ONTARIO**</b>	<b>\$88,900</b>

\* Based on Statistics Canada 2011 National Household Survey, indexed to 2015, rounded to the nearest hundred.

\*\* In areas where 60<sup>th</sup> income percentile is greater than the provincial level, the provincial level 60<sup>th</sup> income percentile is used.

