

# Report

## City of Swift Current

### Housing Plan

November 2012



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# 1 Introduction

## 1.1 BACKGROUND

A number of recent changes are taking place across the Province of Saskatchewan with Saskatchewan's diversity in the commodity sector contributing to a growing economy and population. As the hub for Saskatchewan's southwest, the City of Swift Current has been impacted by and contributed to the province's strong economy and population growth. The City of Swift Current and surrounding municipalities are considered one of eight census agglomerations in the province containing a combined population within the range of 10,000 to 50,000.

Positive investment and increases to the business climate are emerging in the region with the presence and growth of the oil and gas industry, agricultural sector, manufacturing, tourism and service industries. Substantial planning to support continued growth and investment in the City has been occurring in recent years and the City recognizes housing as a critical component requiring strategic planning and consideration.

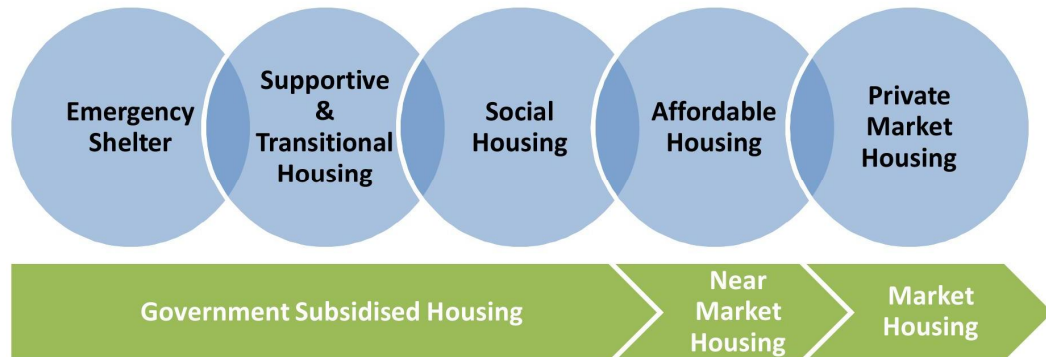
## 1.2 PURPOSE

To gain an understanding of the current housing situation and develop targeted housing strategies, the City of Swift Current commissioned Associated Engineering to undertake the development of this housing plan. The plan was developed under the Saskatchewan Housing Corporation's (SHC) recently announced Encouraging Community Housing Options (ECHO) funding program. The purpose and considerations of the plan as identified under the ECHO program are as follows:

- Consider housing needs across the continuum
- Identify priorities and targets
- Identify strategies to meet priorities and targets
- Anticipate housing needs for the next 15 years
- Consider surrounding municipalities
- Identify measures for determining success and how progress will be reported

The housing plan takes into account the entire housing continuum, including both non-market (social) and market (private rental and home ownership) housing for the city considering the relationship to the surrounding region. The following figure illustrates the housing continuum.

**Figure 1-1  
Housing Continuum**



The housing continuum illustrates the range of housing options which are intended to accommodate different ages, incomes, tenures, household compositions and abilities. The continuum ranges from housing which provides more social services supports and requires greater levels of public funding to housing that has minimal or no supports or public funding and responds to the prevailing market.

The housing plan recognizes the need to ensure an adequate supply at all levels of the housing continuum. The focus of the housing plan is on those areas that were identified as facing challenges during the stakeholder and public consultation process and where strategies can be implemented to address priority housing areas.

### 1.3 PROCESS

The development of the housing plan was conducted over an eight month period. A comprehensive review and analysis of available housing data was undertaken to inform the housing plan. Quantitative information was obtained from a variety of sources including Statistics Canada, Canada Mortgage and Housing Corporation, Saskatchewan Housing Corporation, SaskTrends and the City of Swift Current. To gain further insight and perspective on the housing situation the consultant team conducted a series of one on one in person interviews with city administration and the following key stakeholders identified in collaboration with the City of Swift Current.

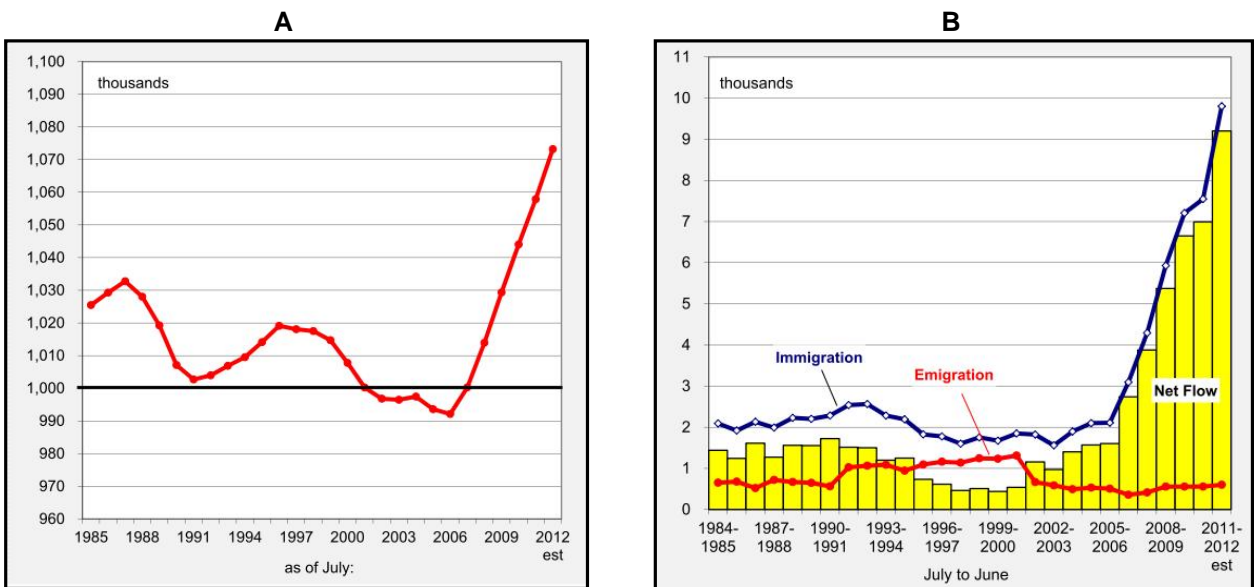
- Swift Current Chamber of Commerce
- Trikoot Real Estate/ 306 Real Estate
- Century 21 Accord Realty
- Cypress Health Region
- Swift Current Housing Authority
- Swift Current Welcome Centre
- Great Plains College
- Evolve Construction
- Reinhart Construction
- Innovation Credit Union
- RM Swift Current

The draft plan was presented at an open house to allow the public an opportunity to review and provide input into the description of the current housing situation and housing strategies for the City of Swift Current. A final housing plan was then presented to Council for their consideration.

# 2 Saskatchewan Housing Context

To gain an understanding of the housing situation in Swift Current it is important to first identify the larger provincial context in which it exists and is influenced by. The Saskatchewan housing sector does not exist in isolation but is linked to the complex social and economic factors of the province and as such the unprecedented economic and population growth occurring in recent years has had a significant impact on housing. The commodity sector is largely driving the economic growth and, given Saskatchewan's diversity in this sector, it is expected to continue for the foreseeable future. The population growth resulting from the province's economic boom is illustrated in Figure 2-1, A. The reversal in interprovincial migration together with the increase in immigration and natural population growth (births minus deaths) has added 80,000 persons to the province since 2006. The exponential increase and contribution immigration has had on the province's population is illustrated in Figure 2-1, B. The implementation of the Saskatchewan Immigrant Nominee Program (SINP) is a driving factor for growing immigration with 4,000 immigrants arriving in the province annually under the program. Family members of those arriving under the program account for an additional 6,000, resulting in a total of 10,000 immigrants each year.

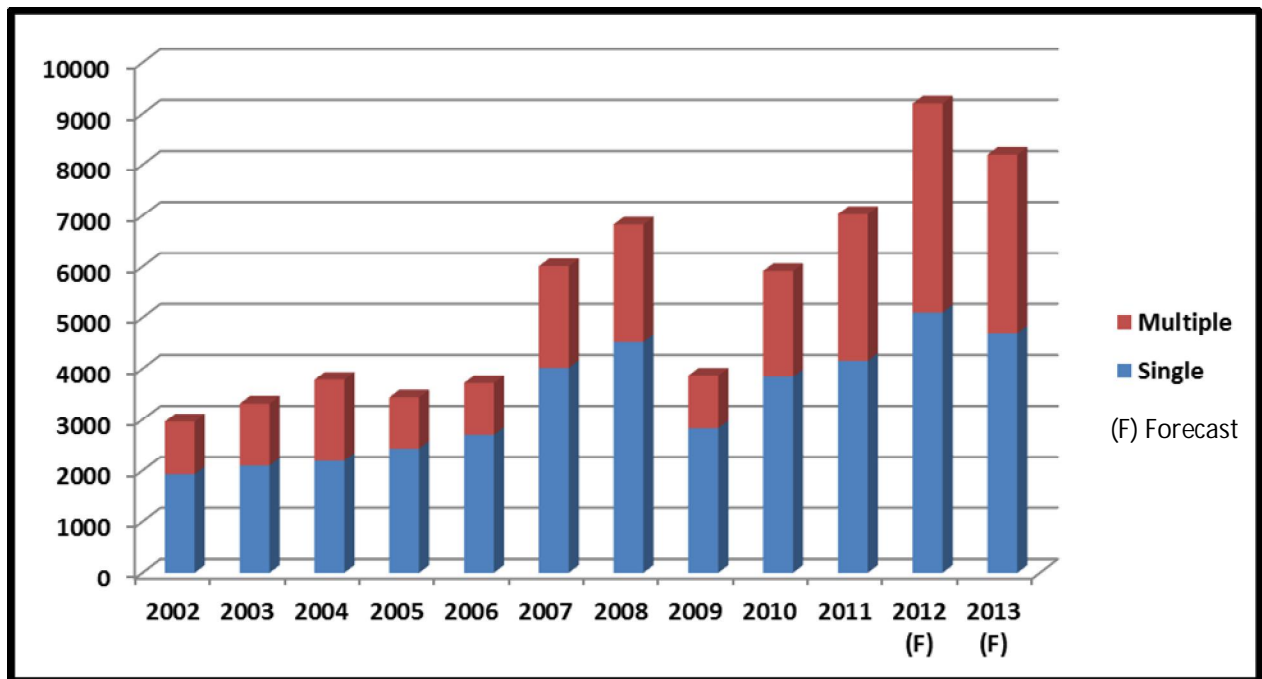
**Figure 2-1**  
**A - Total Provincial Population & B - Total International Migration**



The increased population growth has provided a larger labour force and increased the number of people employed in the province. This influx is largely a younger labour force, essential as Saskatchewan's population is comparably older and by 2036 Statistics Canada projects 40% of the province's population will be 65 and older.

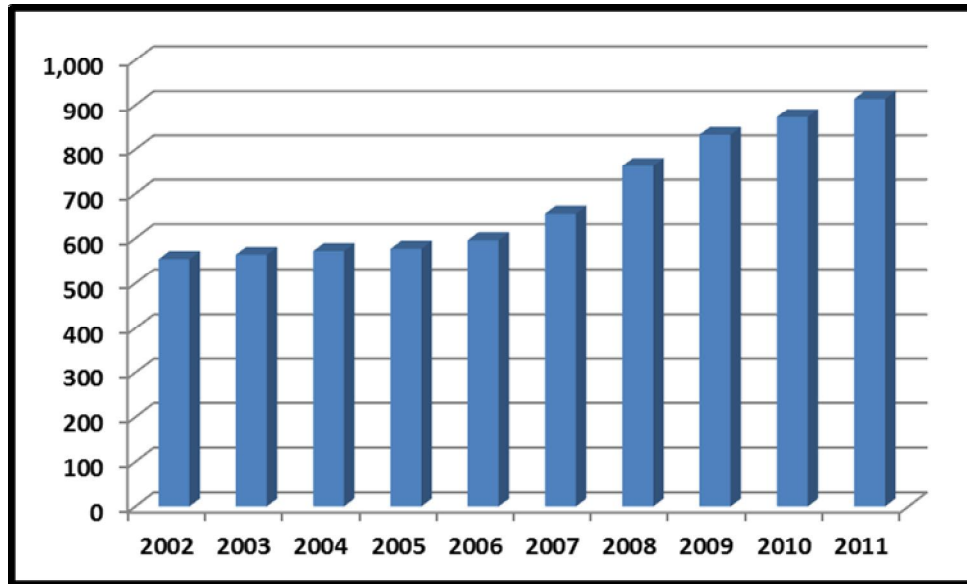
Although beneficial to Saskatchewan’s economy and the aging labour force the growth brings significant challenges. The most notable challenge has been the impact on the housing sector. Demand for housing has increased with growth impacting the availability and affordability of housing. The average multiple listing service (MLS) price of a home in Saskatchewan in 2011 was \$258,386, an increase of \$126,046 or 95.2% since 2006, making homeownership less attainable for low to moderate income earners. As illustrated in Figure 2-2, the number of housing starts occurring each year has risen in the province but is still unable to keep pace with demand.

**Figure 2-2  
Housing Starts in Saskatchewan**

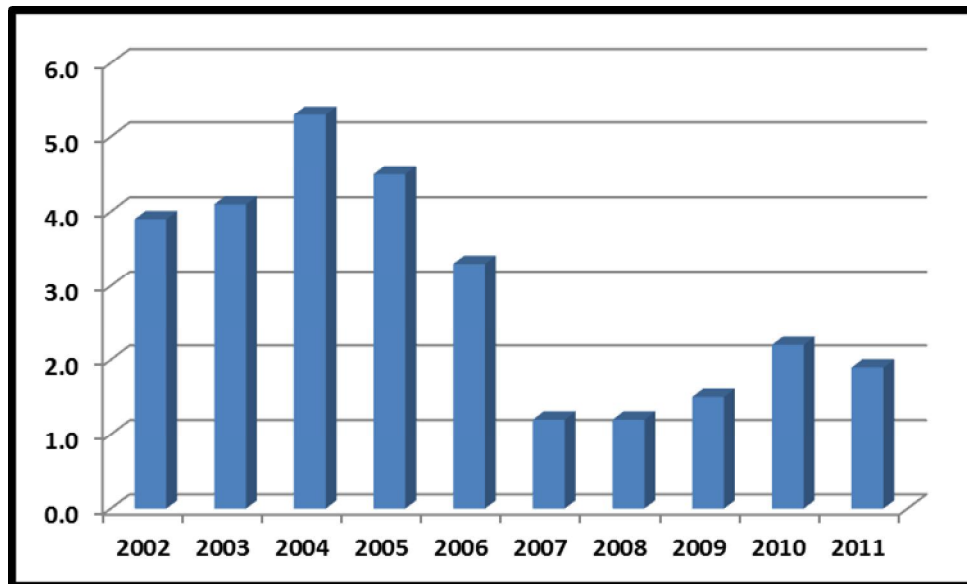


Increased housing costs and supply shortages are further escalating demand for rental housing. Vacancy rates remain low while the average cost to rent across the province continues to rise. Figure 2-3 and 2-4 below show the average rental cost for a two bedroom apartment and the vacancy rate in Saskatchewan over the last 10 years.

**Figure 2-3**  
**Saskatchewan Average Rent, Two Bedroom Apartment, 2002-2011**



**Figure 2-4**  
**Saskatchewan Average Vacancy Rate, 2002-2011**



The Government of Saskatchewan has implemented a series of housing initiatives to respond to the current housing situation. Understanding that a long term approach is needed to address the issues facing the housing sector, Saskatchewan Housing Corporation (SHC) has developed a comprehensive housing strategy. The strategy, entitled A Strong Foundation – The Housing Strategy for Saskatchewan, is an eight year plan that outlines respective roles in the housing sector in creating solutions to Saskatchewan’s

housing challenges. Under the strategy, the Government of Saskatchewan is creating annual provincial action plans that will outline long and short term activities. Actions will be tracked and reported on an annual basis. SHC has also implemented several funding programs described in Appendix A. Canada Mortgage and Housing Corporation (CMHC) also has established funding programs aimed at preparing for and implementing housing projects. A list and description of the CMHC funding programs can also be found in Appendix A.

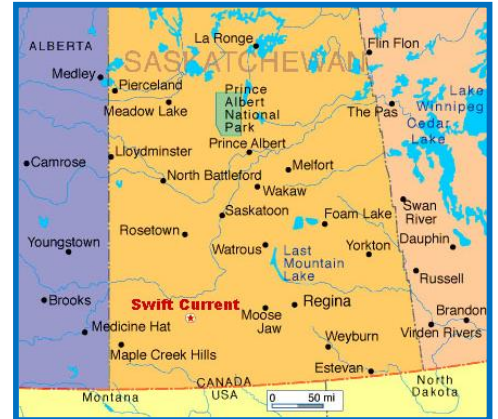


## 3

### Swift Current Housing Context

#### 3.1 LOCATION

The City of Swift Current is the major population centre for southwest Saskatchewan located midway between Regina and Medicine Hat on the TransCanada Highway and along the Canadian Pacific Railway. As the hub for Saskatchewan's southwest, Swift Current is the only city located in the region and serves a regional population of 55,000 people within a radius of approximately 150 km. The RM of Swift Current surrounds the City and contains a population of just over 2,000 people.



#### 3.2 ECONOMY AND COMMUNITY DEVELOPMENT

Positive investment and increases to the business climate are emerging in Swift Current with the presence and growth of the oil and gas industry, agricultural sector, manufacturing, tourism and service industries. Agriculture is the leading sector and driver for Swift Current's economy with 20% of the provincial farmland accounted for in the southwest region surrounding the city. The Semi-Arid Prairie Agricultural Research Centre, three inland grain terminals and several agricultural service businesses provide support to the agricultural sector and economy. The livestock industry is also present with a high concentration of cattle in the region.

The resource industry is the second largest industry in the region with Swift Current serving as the base for oil exploration, extraction and service maintenance in western Saskatchewan. The oil sector has increased significantly in recent years resulting in economic spinoffs for Swift Current. The manufacturing sector is comparatively small in the region however it is considered a growing sector. Swift Current has successfully attracted large scale manufacturing businesses including Batco Manufacturing, Rem Manufacturing and Urban Forest Recyclers. The tourism sector has become a priority for Swift Current to support economic development and investment. The City is interested in further capitalizing on the high non-local traffic volumes occurring along the TransCanada Highway that bisects through the community.

Substantial investment and development have occurred in Swift Current in the last five years including the casino and performing arts facility, new regional hospital, i-plex arena expansion, significant commercial development along the highway including multiple hotels, additional commercial development in the downtown as well as increased industrial and residential development.

#### 3.3 COMMUNITY PLANNING

The City of Swift Current has a Development Plan and Zoning Bylaw that were adopted in 2003 and contain general reference, policies and regulations to guide residential development in the community. The Development Plan recognizes an aging demographic and the need to plan for adequate and affordable

housing supply that accounts for the different social, cultural and economic needs of the community. The Development Plan also recognized that the supply of developable land at the time was not sufficient to accommodate the long-term growth projections. An expansion planning project was undertaken in 2007 that identified areas of annexation to provide a sufficient supply of land to address the long term growth of the community including residential development.

Since the completion of the expansion planning project, demand for developable and serviced land has accelerated and the City has engaged in several planning initiatives to support continued growth and investment. The City of Swift Current has developed a Strategic Plan, Business Plan and more recently undertaken the development of a Servicing Master Plan to assess the impact of new development on existing infrastructure. A Transportation Master Plan is also currently being developed to identify short and long term transportation infrastructure needs. Further planning is occurring for the northeast sector of the city with the development of a sector plan and concept plan for a new neighbourhood that includes residential development and an integrated facility around the regional hospital as part of a partnership formed between the City, the Cypress Health Region and the Chinook and Holy Trinity School Divisions. A market demand study is currently being undertaken to assist the City in identifying land allocation for the northeast sector.

To facilitate the development of residential care facilities, last year the City of Swift Current implemented regulations permitting their use in all residential zones. Regulations are in place for the residential care facilities to address the number of residents permitted in each residential zone. The City of Swift Current has also begun exploring the option of permitting secondary suites in the community.

### **3.4 EXISTING RESIDENTIAL POLICIES**

The City currently has three policies in place to address residential development that are attached in Appendix B. The in-fill policy specifically addresses the policies and procedures around moving an existing residential unit into an infill area. The Inner City Housing Initiative Policy provides a 5 year tax exemption to new residential development in the inner city and a 3 year tax exemption to existing residential units that have been moved to the inner city and upgraded. The Multi-Family Incentive Policy provides a five year graded tax exemption to the development of multi-family rental throughout the community and multi-family ownership units within the downtown area. Multi-family units developed in the downtown area qualify for a declining tax exemption over a five year period where as multi-family rental units developed elsewhere in the community receive an increasing tax exemption over a five year period.

### **3.5 POPULATION**

The City of Swift Current's population has remained relatively stable over the last few decades according to Statistics Canada. Since 2006 the City has experienced a population increase of 556 for a total population of 15,503 in 2011. Over the same period of time, the Rural Municipality (RM) of Swift Current grew by 445. The combined growth has resulted in an increase of 1,000 people in the area. Table 3-1 identifies the population change and growth rates that have occurred in the City and RM over the last 30 years.

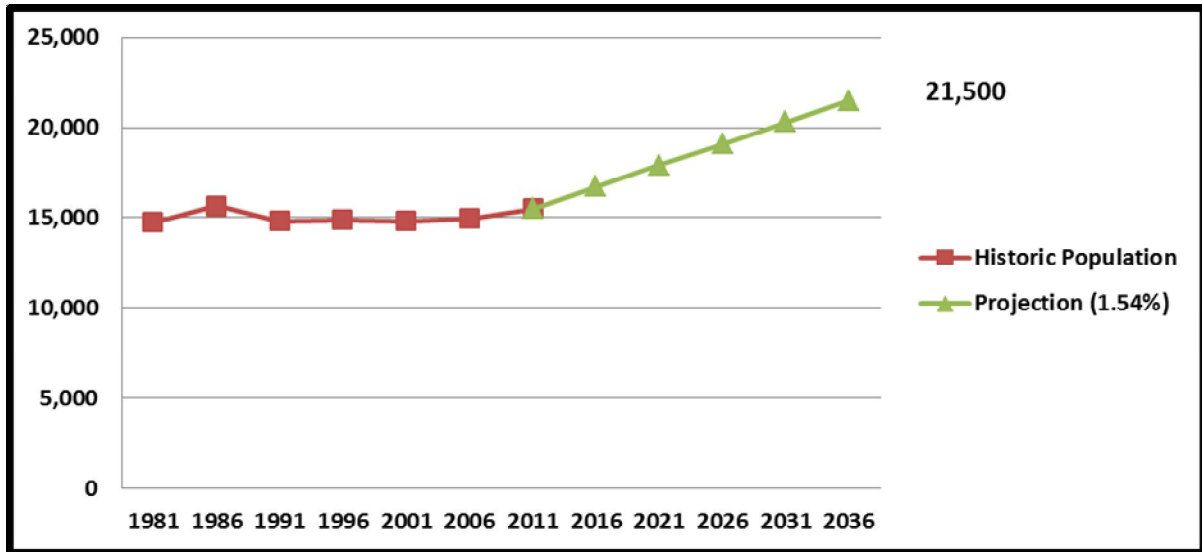
**Table 3-1  
Historical Population**

Year	City of Swift Current		RM Swift Current	
	Population	% change	Population	% change
1981	14,747		1,827	
1986	15,666	1.2	1,801	-0.3
1991	14,815	-1.1	1,614	-2.1
1996	14,890	0.1	1,547	-0.8
2001	14,821	-0.1	1,706	2.1
2006	14,946	0.2	1,587	-1.4
2011	15,503	0.7	2,032	5.6
Total Net Change	756		205	
Net Change 2006 to 2011	557		445	
Average Annual Change		0.2		0.4

Although the City's population growth has been modest in the past, it is accelerating and projected to grow as the City continues to serve as a regional hub for the southwest capitalizing on the province's population and economic boom. The recent influx of immigrants reported by the City and a number of community stakeholders is anticipated to continue and further contribute to an increase in population.

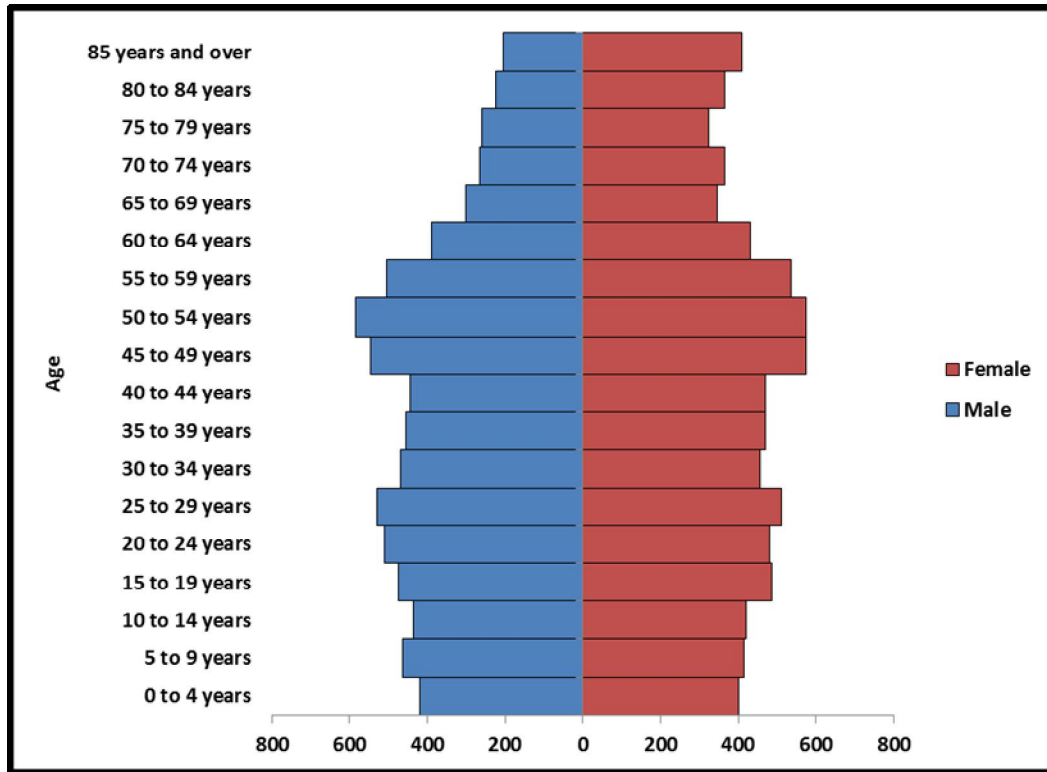
In 2007, a report was prepared for the City of Swift Current titled "Expansion Planning Project" that analysed population and economic factors to determine the City's annexation needs. This report identified a modest and robust growth scenario. The 2011 Statistics Canada population of 15,503 is more closely aligned with the modest growth scenario and therefore the annual growth rate of 1.54% for this scenario has been applied to determine the population projection. Figure 3-1 illustrates the historic and projected population to 2036. Increasing by approximately 6,000, the population is projected to reach a total of approximately 21,500.

**Figure 3-1  
Population Projection**



The demographic profile for the City of Swift Current is similar with that of the province when comparing Statistics Canada 2011 population percentage for each age grouping. The median age in Swift Current in 2011 was 42 years of age. Figure 3-2 illustrates the population breakdown for the City of Swift Current by age and gender for 2011. A comparison of the 2006 and 2011 age breakdown identifies considerable population growth in the age ranges of 5 to 9, 25 to 39 and 50 to 64 years of age. This indicates a stable number of young families and a potential increase of children. As more people are choosing to have children later in life, the 27% increase in the 25 to 34 age range could result in an increase to the number of children in the community. The 53% increase of individuals between the ages of 50 and 64 years identifies a growing senior population.

**Figure 3-2  
Population Pyramid 2011**



**3.6 HOUSING SUPPLY**

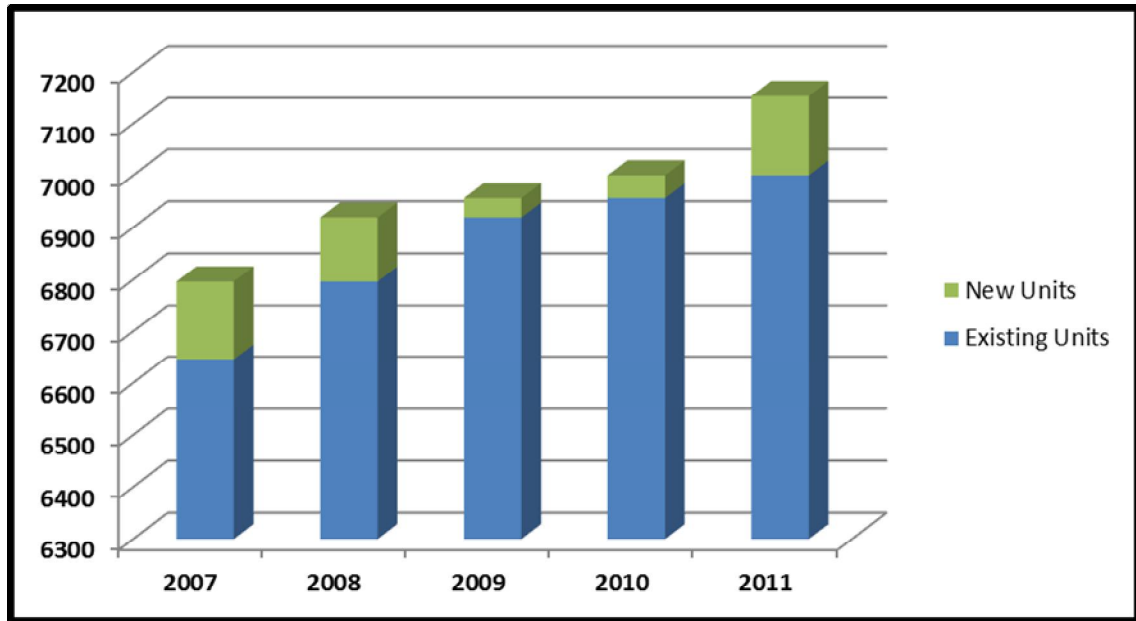
A total supply of approximately 7,154 dwelling units existed in Swift Current as of December, 2011. Typical of Saskatchewan communities, the majority of Swift Current's housing supply is older with 79% of dwelling units constructed prior to 1986. Table 3-2 summarizes the number of dwelling units in the City and their date of construction. Based on 2006 census data, 8.6% of Swift Current's housing stock or 572 dwellings were in need of major repairs.

**Table 3-2  
Housing Supply**

Date of Construction	# Dwelling Units	% Dwelling Units
Prior to 1986	5,665	79
Between 1986 and 2006	980	14
Between 2007 and 2011	509	7
Total	7,154	100

The supply of housing has been steadily increasing with an average annual increase of 100 dwelling units over the last 5 years. According to CMHC, in 2011 Swift Current was third in total housing starts amongst Saskatchewan census agglomerations. The City of Estevan, which is experiencing rapid growth fueled by the oil industry, only exceeded Swift Current by less than 10 housing starts in 2011. Figure 3-3 identifies the construction of dwelling units over the last 5 years in Swift Current.

**Figure 3-3  
Housing Construction, 5 Year Trend**



**3.7 PROJECTED HOUSING DEMAND**

The projected demand for housing units for the City of Swift Current to 2036 is 2,388 units as identified below in Table 3-3. The projected housing demand is based on the projected population growth for the City of Swift Current and the existing supply of housing. To account for the projected increase of young families and larger immigrant families, the number of persons per unit was increased from 2.2 to 2.5.

**Table 3-3  
Projected Housing Demand**

	Population	Housing Units	Persons/unit
Existing	15,503	7,154	2.2
Projected	5,969	2,388	2.5
Total	21,472	9,542	2.3

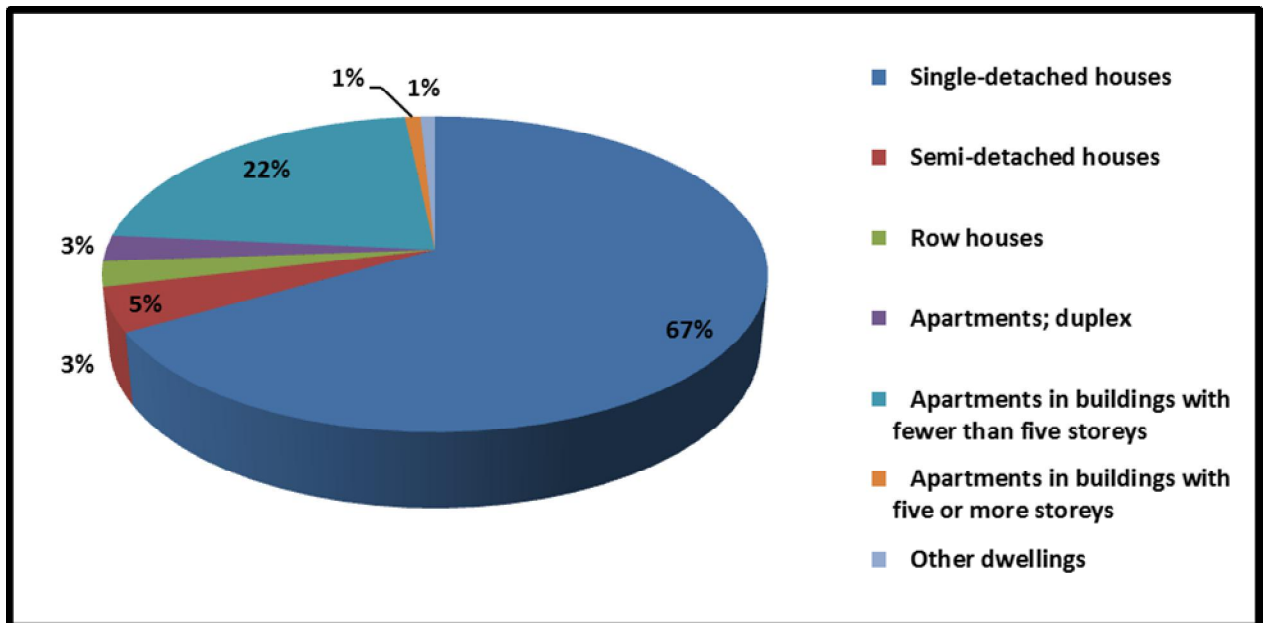
Assuming that approximately half of the projected housing demand will be targeted to multi-family development and the remaining half will consist of single family, the City of Swift Current will need to accommodate the development of approximately 1,200 multi-family units and 1,200 single family units over the next 25 years. This assumption is based on the average percentage of multi-family development that

has occurred over the last 5 years. Swift Current may experience a higher percentage of multi-family development in the short term to address pent up demand but multi-family development is projected to level back out to 50% of all residential development in the long term.

### 3.8 HOUSING STOCK

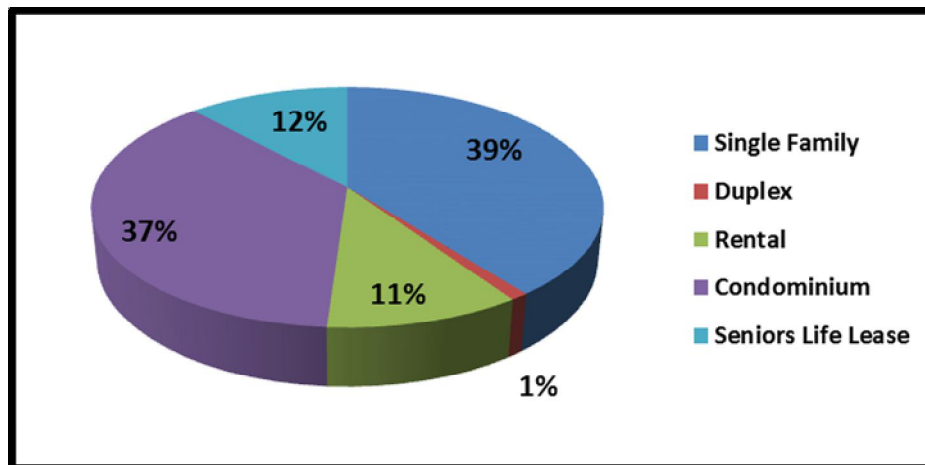
The majority of the housing stock in Swift Current is single-detached houses. There is also a significant percentage of dwelling units in apartment style buildings with less than 5 storeys. Figure 3-4 provides the percentage breakdown of housing types based on 2011 Statistics Canada data.

**Figure 3-4  
Housing Type, 2011**



Since 2006 there has been an increase in the proportion of new housing starts for housing forms other than single family houses. Figure 3-5 provides the percentage breakdown of housing types developed over the last 5 years based on the City of Swift Current's building permit data.

**Figure 3-5**  
**% Housing Development 2007-2011**



**Note:** Rental includes any buildings that exceed two dwelling units for purpose of rental  
Condominium includes any building that exceed two dwelling units for purpose of ownership

There has been steady development of multi-family housing forms in Swift Current over the last 5 years with the exception of 2009 when the entire province experienced development slowdown due to global market conditions. Table 3-3 summarizes the number of housing units developed over this timeframe related to housing forms. Multi-family development is considered all housing forms identified in the table below other than single family. In 2011, Swift Current had the second strongest multi-family housing starts per capita in the province amongst census agglomerations.

**Table 3-4**  
**Housing Development 2007-2011**

	2007	2008	2009	2010	2011	Total
Single Family	49	53	37	22	40	201
Duplex	1	0	0	2	2	5
Rental	4	4	0	0	46	54
Condominium	45	57	0	20	66	188
Seniors Life Lease	52	9	0	0	0	61
<b>Total</b>	<b>151</b>	<b>123</b>	<b>37</b>	<b>44</b>	<b>154</b>	<b>509</b>

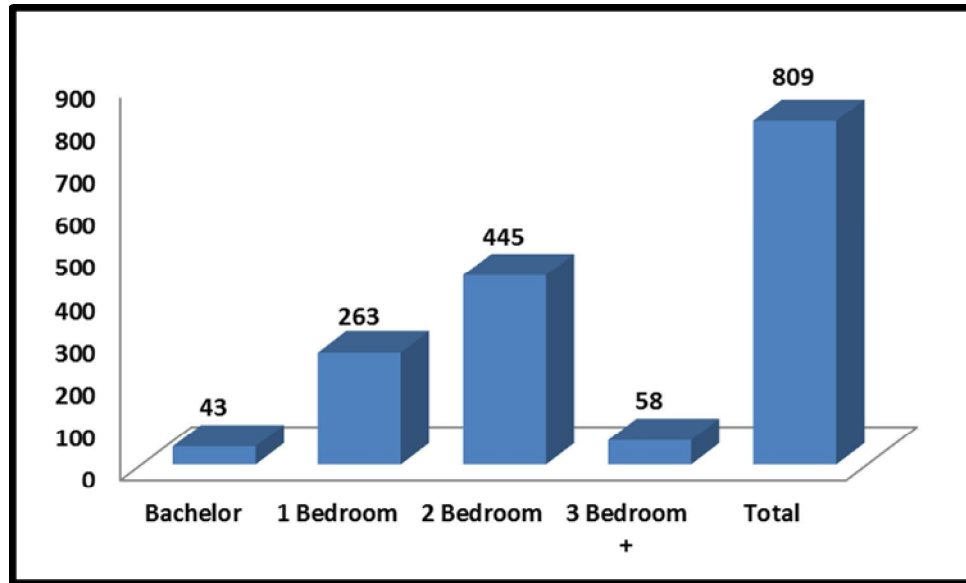
### 3.9 RENTAL

According to the 2006 Census, 70% of Swift Current's households are owners and 30% are renters. Swift Current's rate of homeownership is in line with the provincial average. The addition of purpose built rental units in proportion to the total dwelling units built since 2006 leaves the level of homeownership at relatively the same percentage.



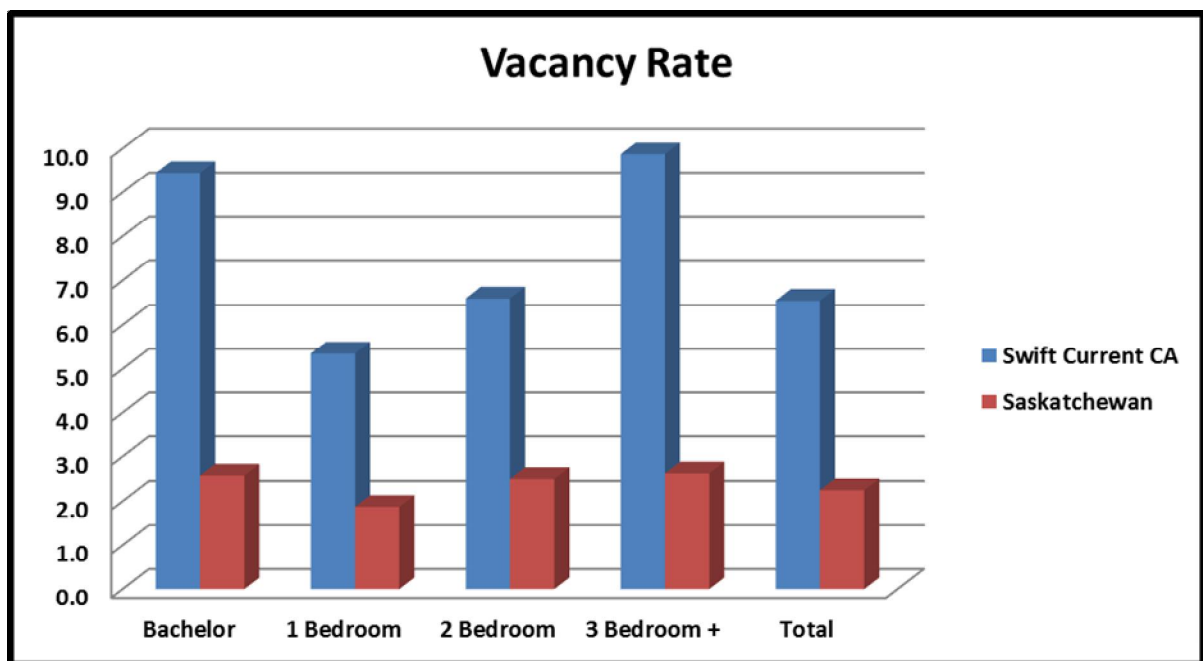
There are a total of 809 private apartment rental units in the Swift Current census agglomeration according to CMHC's spring 2012 rental market survey. Units in the secondary rental market including rental of owned houses, basement suites or condominium apartments are not considered under this survey. Figure 3-6 identifies the number of private apartment units based on number of bedrooms. One and two bedroom apartments make up the majority of the rental units with a small proportion of bachelor and three or more bedroom units existing in the area.

**Figure 3-6**  
**# of Private Apartment Units, 2012**



The vacancy rate in Swift Current is considered high in proportion to the rest of the province. Figure 3-7 provides a comparative summary of the average vacancy rate for the Swift Current census agglomeration and the province for surveys conducted between fall 2010 and spring 2012.

**Figure 3-7**  
**Average Vacancy Rate**



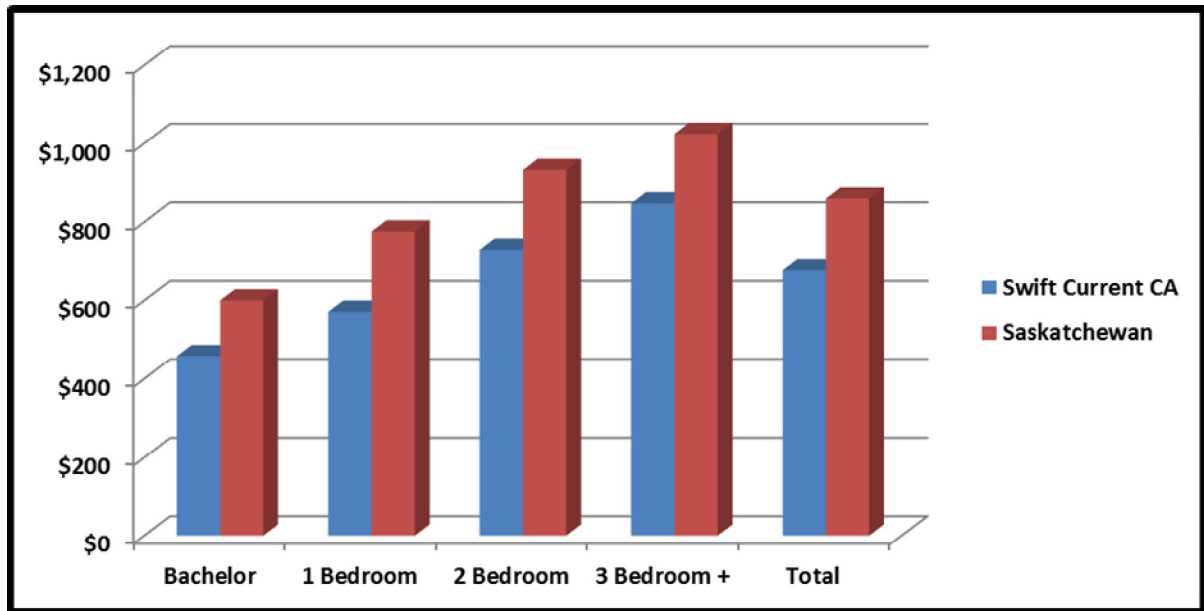
Although Swift Current on average has a higher vacancy rate there is significant fluctuation depending on the time the survey was performed. Table 3-4 summarizes the vacancy rate for four surveys conducted between fall 2010 and spring 2012. The last survey conducted by CMHC in spring 2012 indicated a dramatic decrease in the vacancy rate to a total of 2.8%. Units with three or more bedrooms experienced the greatest fluctuation decreasing from a vacancy rate of 11.2% to 0% between fall 2011 and spring 2012.

**Table 3-5  
Vacancy Rate Surveys**

	Vacancy Rate				
	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom +	Total
Fall 2010	6.8	6.7	7.4	11.3	7.5
Spring 2011	20	5.1	10.5	17	9.6
Fall 2011	5.1	7	5.5	11.2	6.3
Spring 2012	5.9	2.6	3	0	2.8
Average	9.5	5.4	6.6	9.9	6.6

The average apartment rents have steadily increased in Swift Current and across the province in recent years, as shown in Figure 3-8. Although average rents have risen in all rental unit categories, Swift Current rent remains the most affordable amongst all census agglomerations in the province. As previously mentioned, this information does not account for the secondary rental market and limited information is available for this rental stock. For condominium apartments, which compromise one component of the secondary rental market, CMHC research has found that condominium apartments tend to have higher rents than purpose-built rental units. This can be attributed to the stock of condominium apartments typically being newer and often providing amenities not found in traditional rental units.

**Figure 3-8  
Average Rent**



**3.10 EMERGENCY AND SOCIAL HOUSING**

Southwest Crisis Services is a non-profit community based organization governed by a volunteer board of directors and operates out of Swift Current to serve the entire southwest region of Saskatchewan. Southwest Crisis Services provides a number of support programs and facilities to support the community and region including the Southwest Safe Shelter. In operation since 1989, the shelter provides emergency housing and is equipped with five bedrooms and 24 hour staffing. The shelter support workers provide crisis counselling, in-house support and referral services. Women and children who are leaving an abusive situation can stay at the shelter for four to six weeks.

The Genesis House offers a second stage of housing to women and children who have been a resident at the shelter. The Genesis House was established in 1993 by Southwest Crisis Services. It offers two fully furnished two bedroom apartments at an affordable rental fee of \$314 per month under a six month contract as well as continued outreach support.

Southwest Crisis Services receive approximately 30 calls a month on their crisis line. Approximately one third of their calls are from individuals they are unable to assist under their existing services and mandate. They have increasingly received calls from men and youth looking for shelter assistance. Southwest Crisis Services does provide outreach services to men but there is currently no homeless shelter in southwest Saskatchewan to assist these individuals.

Swift Current Housing Authority administers social and affordable housing for the community under Saskatchewan Housing Corporation’s supported housing programs. Swift Current Housing Authority

manages 317 social housing units located throughout the community. The rental units are divided into 238 senior units, 29 family units and 48 affordable rental units. There are waiting lists for all three types of units with each waiting list falling within the range of 20 to 50. There is a higher portion on the waiting list for senior and family units as compared to the affordable rental units. This has been attributed to recent increases to rent of the affordable units that are now comparable to market pricing.



# 4

## Housing Challenges and Opportunities

Swift Current city administration and key stakeholders with a vested interest in the supply and development of housing were engaged in a series of one on one interviews to inform the housing plan. Stakeholder discussions provided further insight into the existing housing situation. The following section provides a brief overview of the areas of concern and opportunities that exist related to housing within Swift Current.

### 4.1 HOUSING AFFORDABILITY

The economic and population growth occurring in Swift Current has increased demand for housing and lead to escalating housing prices. Stakeholders identified that the range of housing prices have spread with a large portion of the housing supply moving towards higher cost housing. The availability of housing within certain price brackets has become limited with specific reference to housing that falls within the \$150,000 to \$200,000 price range. It was identified that homes at the lower price bracket often have adequacy issues which is not desired, require significant investment and are difficult to fix by a first time home buyer. The escalating housing prices and limited supply of affordable housing has led to a portion of the population being unable to afford and attain quality and appropriate housing ownership.

The affordability of rental housing has also been impacted with affordable rental housing providers reporting increased waiting lists that far exceed the total number of units available. Given the shortage of affordable rental accommodation, substandard or inappropriate rental housing can be the only option available for individuals and families in the community.

### 4.2 AVAILABILITY OF HOUSING OPTIONS

The quantitative data along with feedback received from stakeholders indicates that a more diverse housing stock is needed to better respond to the needs of households of different incomes, sizes and at different life stages. The new housing market in Swift Current largely caters to a small portion of the overall market with the present supply of rental and multi-unit construction not being sufficient to meet the needs of Swift Current's changing demographics. There is little mobility in the housing market with blockages identified along the housing continuum. The shortages of housing supply most noted by stakeholders included the supply of adequate apartments, condominiums, townhouses and smaller starter homes.

In recent years, the limited supply of adequate rental accommodations and increased rental costs resulted in a larger number of individuals looking to purchase homes. Low income households however have difficulty entering into homeownership and building equity to move up the housing continuum. It was also identified by stakeholders that there is difficulty for established households to downsize as their lifestyle and housing needs change due to a limited supply of smaller unit options and housing with the appropriate amenities to meet their needs. Empty nesters and seniors living in older single detached homes and looking to downsize are not finding adequate housing to move into. This supply of entry level housing is therefore not being freed up for those interested in entering homeownership and capable of affording and investing in housing at this price point.

### 4.3 APPROPRIATENESS OF HOUSING

The stakeholder consultations identified three specific groups within the community with defined housing needs that would benefit from targeted housing development. Below is a description of the housing situation and needs as it relates specifically to the immigrant, senior and student population.

#### 4.3.1 Immigrant Housing Needs

The immigrant population in Swift Current is continually growing with employer recruitment contributing to the influx of new immigrants. The Swift Current Welcome Centre is in place to welcome and provide support to newcomers arriving in the community including assistance with finding housing. Many new immigrants are interested in renting when they first arrive with a goal of homeownership typically within a two year timeframe of their arrival. Higher household densities are common amongst immigrants as a result of large multigenerational families choosing to live together. Shared accommodations amongst immigrants can also be the result of attempts to reduce housing costs and difficulty finding appropriate accommodations.

Finding appropriate accommodations for new immigrants is considered a challenge due to a lack of affordable rental accommodations, particularly amongst units with three or more bedrooms to accommodate the larger family sizes. It was also identified that several new immigrants have difficulty saving for a down payment on a house while they are paying rent and sending money to their families in their home country. It can also be a challenge for new immigrants to qualify for a mortgage and enter into homeownership as a result of no credit record. Generally when immigrants are looking for ownership opportunities in the community it is important to find affordable housing options located near appropriate amenities that provide a sense of community. It was reported that some new immigrants are choosing to move to other communities as they are unable to find appropriate accommodations in Swift Current.

#### 4.3.2 Senior Housing Needs

It was reported that although Swift Current does offer seniors housing in the form of independent living, assisted living and long term care facilities there are no known personal seniors care homes and the existing supply of seniors housing is not sufficient to meet demands. There are long waiting lists for both affordable senior housing rental units and assisted living housing. The current long term care facility in the community is also reportedly always full. A new long term care facility equipped with 224 beds is proposed by the hospital and will replace the existing facility. The new facility will help to alleviate some of the demand by adding an increase of 26 long term care units to the community but demand may continue to exceed supply.

The availability of independent living options for those wishing to downsize is considered to be limited. It was identified that seniors in the community wanting to downsize are interested in apartment style buildings containing such amenities as elevators and concealed parking options but there is limited supply of this housing form and no new development identified to meet this demand.



The lack of housing options for seniors has resulted in many choosing to remain in under-occupied family housing and not releasing their housing back into the general housing market. Provision of more suitable seniors housing would not only provide a better quality of life for the aging population but would also increase the supply of single family homes at an affordable price to young and new immigrant families.

### 4.3.3 Student Housing Needs

Great Plains College provides a range of educational opportunities to serve southwest Saskatchewan including adult education, first and second year university, a nursing program, trades training and safety and skills training. The College has an annual full time student population in the range of 175 to 250 students and a part time student population of approximately 50 students. The safety and skills training is generally provided over a two day period to individuals within the oil and gas industry and is attended by approximately 1,000 participants annually. There are changes proposed to the nursing program for 2013 that will result in additional students.

Currently there are no designated student housing units or residences provided in Swift Current. Instead students seek affordable rental housing, choose to live with relatives or commute from out of town. It was reported that 95% of students attending the College are local residents or live within commuting distance to the College. Students interested in relocating to Swift Current have difficulty attaining affordable and appropriate accommodations. Given the short timeframe of many of the College programs students are generally seeking temporary housing. There are limited accommodations that meet this requirement with the majority of rental units requiring tenants to sign a six month to one year lease. The increased rental costs and low vacancy rates of adequate rental accommodations have impacted students as they often have minimal income and are unable to bear increased housing costs. As a result, students may only be able to afford rental housing that is substandard and provides a poor quality environment for academic studies. There are limited bachelor accommodations in Swift Current and students will choose to live with one another to afford the cost of larger units. Hotel accommodations are currently used to address the safety and skills training provided over a short timeframe. To respond to the increase of students in the nursing program the College has sent requests to the University of Saskatchewan and University of Regina nursing alumni to provide boarding to students. There have been discussions related to the development of student dorms to more appropriately address the needs of students but nothing has materialized from these initial discussions.

## 4.4 HOUSING ACCESSIBILITY

Specific municipal data is unavailable for the population with disabilities in Swift Current. The Participation and Activity Limitation Survey (PALS) conducted by Statistics Canada in 2006 identified that an estimated 16% of the provincial population had a disability. These statistics include people with any form of disability regardless of severity. Based on the provincial estimate there could be an estimated 2,500 individuals with disabilities in Swift Current. The housing needs of this population may vary and require different supports.

It was indicated by stakeholders that accessibility and mobility of seniors needs to be a consideration for the types of accommodations provided.

### **4.5 EMERGENCY HOUSING**

Swift Current does offer an emergency shelter and transitional housing for women fleeing domestic violence but this limited amount of emergency and transitional housing is serving the entire southwest region of the province. It was identified that the amount of emergency housing units for women fleeing domestic violence has been sufficient but there is a greater need for transitional housing. The existing emergency and transitional housing also does not address housing for the homeless population or others in need. It was identified that there is an increasing demand for shelter services for men and youth.

### **4.6 RENTAL MARKET**

The average vacancy rates reported by CMHC, along with discussions with stakeholders, indicates there is supply of rental accommodations within the community. The issues identified by a number of stakeholders with the existing rental stock related to the condition of a large portion of the rental units, affordability of rental units and insufficient supply of bachelor or three or more bedroom rental units to meet demands.

Several stakeholders indicated that there is a large portion of the rental stock managed by a small number of landlords. These landlords are reported to have owned and operated the rental units for a number of years and there is little to no incentive at this stage for them to invest in their rental stock. Existing cost of renovations has increased in recent years and would require the rental of units for a longer period of time to recoup investment. Lower vacancy rates and short turnover of units can also impact the level of maintenance and renovation to rental properties.

The recent increase to rental costs has made it challenging for a number of individuals in the community to be able to afford appropriate rental accommodations. Stakeholders specifically identified the impact increased rents has had on students and those in the lower income brackets. There are an increasing number of residents whose income levels fall above the cut off to qualify for support but have difficulty affording appropriate rental accommodations.

The existing rental stock is largely made up of one and two bedroom accommodations. Bachelor units are generally more affordable and given the increase to rental costs the demand for this type of rental unit has increased amongst students and those with limited income. Several stakeholders indicated that the supply of three or more bedroom rental units is considered insufficient to meet the demand that currently exists amongst immigrants, young families and those seeking to reduce their rental costs through shared accommodations.

### **4.7 CONDITION OF HOUSING STOCK**

Available statistics data indicates there is a large portion of the housing stock that is older and in need of repair. Stakeholders further confirmed that there are a number of existing housing units requiring

renovation. Housing stock falling between the \$150,000 to \$200,000 range is being purchased and renovated, particularly by the immigrant population. Housing stock selling at a more affordable range around \$100,000 generally requires significant renovation and given the significant time and financial investment required to renovate them there is limited demand for this housing stock.

### 4.8 PLANNING AND DEVELOPMENT PROCESS

The City of Swift Current has a Development Plan, Zoning Bylaw and incentives in place to guide residential development. The majority of the documents are close to a decade old and given the influx of growth and development that have occurred since their adoption there would be value in reviewing these documents to ensure they are achieving their desired intent and capitalizing on existing provincial funding programs.

Stakeholders indicated an awareness of the City's Inner City Housing Initiative Policy and identified it as a successful incentive to promote infill development in the inner city. It was however identified that several derelict properties continue to exist in the community. Discussions surrounding the Multi-Family Incentive Policy identified that there is demand to develop multi-family residential development but there is a shortage of land zoned appropriately for this form of higher density development. City administration is currently working on plans to zone additional land for higher density residential development in the northeast sector however it may be a year or two before this land is available for development.

The process of planning and developing the northeast sector will result in new community amenities including a new long term care facility and two new school sites. The closure of the old facilities will result in six infill sites identified in Appendix C. The six identified infill sites total an area of 26.8 acres. This is a substantial amount of land within the existing community that could be redeveloped to accommodate residential development. Based on a calculation of 12 units per acre, these infill sites could accommodate 322 residential units or approximately 14% of the total residential demand over the next 25 years. There is opportunity to begin planning these infill sites for redevelopment with the community and investigating their ability to respond to housing demand.

As the City continues to be actively involved in development it is important that they follow a consistent development process that is transparent and clear to all parties. Discussions with stakeholders indicated that the City's approach to development projects has not always been consistent or understood. It was also suggested that a number of factors have resulted in the purchase of lots based on speculation and that the City has not always received proper return for the sale of lots. Stakeholders indicated that improvements have been made to the development process in recent years but there is still opportunity for further improvement.

### 4.9 RM OF SWIFT CURRENT

The RM of Swift Current has grown by approximately 450 residents over the last five years with a large portion of the growth reported to have occurred within the last three years. With a population of just over 2,000, the RM of Swift Current caters to a different lifestyle than the City providing country residential

development on acreage lots. As the RM of Swift Current continues to grow and experience demand for country residential development there is a need to plan new country residential subdivisions. During this planning period there is opportunity to explore how residential development in the RM could help to address residential demands occurring in the city including the incorporation of garden suites and personal care homes.

### **4.10 INFORMATION AND COLLABORATION**

Stakeholder discussions indicated that there is a good understanding of City incentives but perhaps less understanding related to City processes and housing incentives provided by different organizations including the provincial government. These programs may be underutilized and not assisting the community to their full potential due to a lack of knowledge of their existence and application. The absence of a central registry or source of information on what housing is available for rent or what services and supports exist in the community is viewed as a gap for the community. There is limited information sharing occurring between organizations in the community and they generally appear to be working in isolation instead of collectively to address housing issues within Swift Current and the surrounding region.

# 5 Housing Priorities and Strategies

The following priorities and strategies have been developed to help guide the community in a unified direction to address housing issues and demands. It should be noted that priorities to address gaps and deficiencies along the housing continuum will often overlap and identified strategies can support multiple priorities. The identified recommendations take into consideration Swift Current's current and projected housing needs, community concerns and input and the capacity of the city and stakeholders to support housing initiatives.

## 5.1 PRIORITY – SUFFICIENT SUPPLY OF AFFORDABLE AND APPROPRIATE HOUSING

Ensuring there is provision for and sufficient supply of a variety of affordable and appropriate housing options for various life stages and incomes is essential to maintaining a healthy and sustainable community. Critical gaps along the housing continuum have been identified during the development of the housing plan requiring specific attention and ongoing monitoring.

There is limited supply of emergency and transitional housing and that which exists serves the entire southwest region of the province targeted specifically to women fleeing domestic violence. Further understanding of housing demand and opportunity to address the needs of a greater sector of the population is required with specific focus on opportunities to support men and youth.

There is a portion of the community who fall into the low income bracket but do not qualify for subsidies as their incomes are slightly above subsidy cut-offs. As housing prices escalate, it is becoming increasingly difficult for these individuals to afford housing accommodations. The development of housing to meet the needs of this portion of the community can be challenging, if not impossible, given the cost of construction and market conditions. Instead increased supply and movement through the housing continuum can help to address this area of concern.

The existing rental accommodations and entry level housing may be sufficient in terms of numbers but the affordability, age and condition, size and amenities available with this housing stock is not meeting current demand according to a number of stakeholders. Rejuvenation of existing rental and single family housing along with the development of new entry level units that appropriately respond to demands is needed to support movement through the housing continuum.

The strategies below have been identified to respond to the supply of affordable and appropriate housing. Several of the other identified priorities will further help to address this priority area through targeted areas and by allowing individuals to move through the housing continuum freeing up existing housing supply.

### **Key Strategies:**

- Engage the non-profit sector and municipal leaders in the region to develop a strategy to identify and monitor demand for emergency, transitional and social housing.

- Identify opportunities for funding and development of a homeless shelter with a focus on men and youth.
- Support a strong non-profit sector to ensure long-term provision of existing social housing.
- Explore new partnership and funding models to assist entry into homeownership including the development of new mortgage options and down payment supports.
- Promote, participate in and build on existing SHC programs to leverage new construction ensuring that the cost reductions realized through initiatives are fairly reflected in reduced housing prices.
- Support innovative design and methods to reduce construction costs in order to reduce the cost of the final product including increased densities, smaller units and alternative forms of construction including modular and ready to move units.
- Incorporate sweat equity building models to develop new housing.
- Support SHC's repair and renovation incentives including the rental repair incentive and increase enforcement to ensure compliance with existing standards.
- Permit secondary suites and encourage their development under the SHC program allowing homeownership to be more affordable and increasing the supply and affordability of rental units.

### **5.2 PRIORITY – SUPPORT VARIETY OF RESIDENTIAL DEVELOPMENT**

Ensuring there is sufficient supply of developable land appropriately zoned to accommodate a diversity of housing forms and densities is imperative to meet market demand and support the sufficient supply of a full range of housing options. Comprehensive community and neighbourhood planning should occur upfront to support the integration of a variety of residential development forms throughout the community. Committing planning resources early on and ensuring the availability of appropriately zoned and serviced land will allow the City of Swift Current to be ready for growth and respond in a timely manner to market demands and developer interest.

There is currently no supply of developable land zoned for higher density residential development. Consultations conducted during the development of the housing plan indicated interest in pursuing this form of residential development from the development sector. Given the buoyant housing market, opportunities may be lost as developers go elsewhere where their projects can be accommodated in a timely fashion. The City is currently engaging in planning initiatives for the northeast sector of Swift Current that will identify land for higher density residential development. The City should identify an appropriate mix and sufficient supply of land to accommodate a variety of residential development forms throughout the development phases of the northeast sector plan and identify opportunities for residential development elsewhere in the community where it is sustainable and feasible.

#### **Key Strategies:**

- Plan for neighbourhoods that include ownership, rental and mixed density of housing.
- Appropriately phase residential development to support an adequate supply and mix of serviced and appropriately zoned land.
- Monitor changes in market conditions and community demographics to appropriately respond to demands.

- Engage housing stakeholders, including the development sector, in comprehensive planning of community neighbourhoods.

### 5.3 PRIORITY – SUPPORT INFILL DEVELOPMENT

Support of infill development in existing areas of the community offers opportunities to increase the supply of housing while further utilizing existing infrastructure and community amenities. Infill development can assist in the rejuvenation of areas through the replacement of aging housing stock and increasing the mix of housing forms to accommodate a range of demographics and housing needs.

Significant parcels of vacant or underdeveloped land may exist within existing areas which, for various reasons, have been passed over in the normal course of community development. Individual vacant lots or replacement sites may offer further opportunity for smaller scale incremental infill development. For infill sites to be pursued for development developers must expect a reasonable return on their investment and that the project can be completed within a reasonable schedule without timely delays and process barriers. To support significant infill development and move beyond piecemeal development of individual lots an infill development program with targeted objectives, incentives, land assembly and marketing of parcels for infill development should occur.

The development of new community facilities in the northeast area of the city will result in the closure of older facilities in six identified sites throughout existing neighbourhoods. These six sites provide significant opportunity for planned infill development. The City's existing Inner City Housing Initiative Policy provides a current tax exemption incentive for infill development. This policy should be reviewed as part of the overall development of an infill development program to ensure it continues to remain responsive to the targeted objectives of the program.

#### **Key Strategies:**

- Establish an infill development program that identifies targeted objectives, incentives and initiatives that set the stage for enabling and encouraging infill development.
- Initiate planning of the six sites that will be made available for infill development following the closure of facilities.
- Develop a marketing and request for proposal strategy for identified infill sites.
- Address barriers, real and perceived, which may have prevented past development of vacant parcels.
- Review existing infill policies to ensure they are producing desired outcomes and align with an overall infill development program.
- Put zoning and public process in place to expedite developer investment.

### 5.4 PRIORITY – SUPPORT TARGETED RESIDENTIAL DEVELOPMENT

Supporting purpose built residential development targeted to specific demographic groups in the community can result in the development of more appropriate housing and encourage movement through the housing continuum. Growth amongst the immigrant, senior and student population is occurring within the

community. These groups have distinct housing needs that would benefit from targeted housing development and redevelopment initiatives. Individuals within these demographic groups may choose to locate elsewhere if appropriate housing supply is not available to meet their needs. The targeted supply of appropriate housing for these groups will free up existing housing stock for others in the community further addressing housing demands and blockages along the housing continuum.

### **Key Strategies:**

- Establish working relationship with representatives of targeted demographic groups to identify partnership opportunities and implement strategies.
- Conduct housing surveys with targeted demographic groups to better define needs and demand.
- Market the housing demands of targeted demographic groups and encourage the development sector to respond to identified needs.
- Encourage the development of personal care homes in Swift Current.
- Investigate the opportunity for personal care homes in the RM Swift Current where infrastructure capacity exists.
- Engage discussions with other jurisdictions that have recently developed senior's complexes to understand their process, lessons learned and identify developer contacts.
- Identify appropriate and potential sites for senior's complexes and student dormitories.

## **5.5 PRIORITY – IMPROVED REGULATORY ENVIRONMENT AND MUNICIPAL PROCESS**

Ensuring policies, regulations and the development process are up to date, efficiently administered and achieving desired outcomes will help to address identified housing priorities. A clear and consistent regulatory environment and municipal process can reduce barriers and delays for housing development which in turn can reduce the cost of housing development. It can also result in a more informed community, building public support around housing initiatives and preventing negative reaction to potential residential developments. The City of Swift Current should undertake a thorough review of the development process, policies and regulations ensuring transparency and achievement of desired outcomes.

### **Key Strategies:**

- Establish guidelines for the development process that are clear, consistent and promote a streamlined approval process for residential development.
- Review development process and policies to ensure they are supportive of market place development and development occurs within a timely manner of lot sales.
- Conduct study to establish appropriate value of lots and development charges.
- Review existing Official Community Plan and Zoning Bylaw to incorporate policies and regulations that further support and align with recommendations of the housing plan.
- Establish policies for school site redevelopment in the Official Community Plan.
- Incorporate regulations in the Zoning Bylaw permitting the development of secondary suites.
- Rezone land for higher density residential development.
- Review existing residential policy incentives to identify their previous uptake and effectiveness, ensure they align with the priorities of the housing plan and capitalize on existing provincial funding programs.



- Review enforcement of housing bylaws and commit resources to conduct inspections ensuring compliance with building standards.

### 5.6 PRIORITY – SUPPORT HOUSING EDUCATION AND COLLABORATION

Collective dialogue surrounding the housing situation and a collaborative approach is integral to building and sustaining momentum in addressing housing priorities. The city administration is one of several stakeholders in the community with knowledge and an interest in the area of housing. The establishment of a housing committee consisting of various housing stakeholders will support a greater understanding of capacity and barriers and identify opportunities for partnerships and the leveraging of resources. The housing committee can serve as a source of information on local housing issues and opportunities and provide an efficient way to collect and analyze housing data.

Establishing a central point or link to housing information including the availability of rental accommodations, housing priorities and initiatives, development opportunities and incentives can help to coordinate a wealth of information, increase knowledge and public access to information and market the community to potential residents and developers.

#### **Key Strategies:**

- Establish an active housing committee.
- Establish a central website for housing information and links to resources and contacts.
- Sponsor public meetings and workshops that disseminate housing information regarding initiatives and incentives.
- Market local housing needs and opportunities to encourage investment and development.
- Communicate availability of serviced land to builders and developers.
- Coordinate the gathering and monitoring of local housing data.
- Encourage public education on housing strategies and initiatives to promote public support and reduce potential NIMBY reactions.

### 5.7 HOUSING PRIORITY AND STRATEGY MATRIX

The housing priorities and strategies are condensed into a matrix on the following three pages. The strategies have been assigned a timeframe of immediate, medium-term and long-term and are arranged by their corresponding timeframe. Columns to identify the strategy lead, partners, date initiated and status have been included in the matrix to track the progress and implementation of strategies.

Priority	Strategy	Timeframe	Lead	Partners	Date Initiated	Status
Sufficient Supply of Affordable and Appropriate Housing	Promote, participate in and build on existing SHC programs to leverage new construction ensuring that the cost reductions realized through initiatives are fairly reflected in reduced housing prices.	Immediate				
	Support SHC's repair and renovation incentives including the rental repair incentive and increase enforcement to ensure compliance with existing standards.	Immediate				
	Permit secondary suites and encourage their development under the SHC program allowing homeownership to be more affordable and increasing the supply and affordability of rental units.	Immediate				
Support Infill Development	Establish an infill development program that identifies targeted objectives, incentives and initiatives that set the stage for enabling and encouraging infill development.	Immediate				
	Initiate planning of the six sites that will be made available for infill development following the closure of facilities.	Immediate				
	Develop a marketing and request for proposal strategy for identified infill sites.	Immediate				
	Put zoning and public process in place to expedite developer investment.	Immediate				
Improved Regulatory Environment and Municipal Process	Engage discussions with other jurisdictions that have recently developed senior's complexes to understand their process, lessons learned and identify developer contacts.	Immediate				
	Identify appropriate and potential sites for senior's complexes and student dormitories.	Immediate				
Support Housing Education and Collaboration	Establish an active housing committee.	Immediate				
	Establish a central website for housing information and links to resources and contacts.	Immediate				

Priority	Strategy	Timeframe	Lead	Partners	Date Initiated	Status
Sufficient Supply of Affordable and Appropriate Housing	Engage the non-profit sector and municipal leaders in the region to develop a strategy to identify and monitor demand for emergency, transitional and social housing.	Medium-term				
	Explore new partnership and funding models to assist entry into homeownership including the development of new mortgage options and down payment supports.	Medium-term				
Support Infill Development	Address barriers, real and perceived, which may have prevented past development of vacant parcels.	Medium-term				
	Review existing infill policies to ensure they are producing desired outcomes and align with an overall infill development program.	Medium-term				
Support Targeted Residential Development	Establish working relationship with representatives of targeted demographic groups to identify partnership opportunities and implement strategies.	Medium-term				
	Conduct housing surveys with targeted demographic groups to better define needs and demand.	Medium-term				
	Market the housing demands of targeted demographic groups and encourage the development sector to respond to identified needs.	Medium-term				
	Encourage the development of personal care homes in Swift Current.	Medium-term				
Improved Regulatory Environment and Municipal Process	Establish guidelines for the development process that are clear, consistent and promote a streamlined approval process for residential development.	Medium-term				
	Review development process and policies to ensure they are supportive of market place development and development occurs within a timely manner of lot sales.	Medium-term				
	Conduct study to establish appropriate value of lots and development charges.	Medium-term				
	Review existing Official Community Plan and Zoning Bylaw to incorporate policies and regulations that further support and align with recommendations of the housing plan.	Medium-term				
	Review existing residential policy incentives to identify their previous uptake and effectiveness, ensure they align with the priorities of the housing plan and capitalize on existing provincial funding programs.	Medium-term				
Support Housing Education and Collaboration	Communicate availability of serviced land to builders and developers.	Medium-term				
	Coordinate the gathering and monitoring of local housing data.	Medium-term				
	Encourage public education on housing strategies and initiatives to promote public support and reduce potential NIMBY reactions.	Medium-term				

Priority	Strategy	Timeframe	Lead	Partners	Date Initiated	Status
Sufficient Supply of Affordable and Appropriate Housing	Identify opportunities for funding and development of a homeless shelter with a focus on men and youth.	Long-term				
	Incorporate sweat equity building models to develop new housing.	Long-term				
Improved Regulatory Environment and Municipal Process	Investigate the opportunity for personal care homes in the RM Swift Current where infrastructure capacity exists.	Long-term				
	Review enforcement of housing bylaws and commit resources to conduct inspections ensuring compliance with building standards.	Long-term				
Support Housing Education and Collaboration	Sponsor public meetings and workshops that disseminate housing information regarding initiatives and incentives.	Long-term				
Sufficient Supply of Affordable and Appropriate housing	Support a strong non-profit sector to ensure long-term provision of existing social housing.	On-going				
	Support innovative design and methods to reduce construction costs in order to reduce the cost of the final product including increased densities, smaller units and alternative forms of construction including modular and ready to move units.	On-going				
Support Variety of Residential Development	Plan for neighbourhoods that include ownership, rental and mixed density of housing.	On-going				
	Appropriately phase residential development to support an adequate supply and mix of serviced and appropriately zoned land.	On-going				
	Monitor changes in market conditions and community demographics to appropriately respond to demands.	On-going				
	Engage housing stakeholders, including the development sector, in comprehensive planning of community neighbourhoods.	On-going				

## 6 Performance Measurement Framework

The Housing Plan should be viewed as a dynamic document. The identified housing needs, priorities, and strategies contained within the Housing Plan will evolve overtime as strategies are implemented and conditions shift due to changing demographics, housing development and economic influences. The housing conditions and the impact of implemented housing initiatives should therefore be monitored and measured to ensure the housing plan remains relevant and responsive to the needs of Swift Current. It is recommended that a housing summary report be developed on an annual basis to support the monitoring of the housing situation. The following components should be monitored and contained within the housing summary report.

1. Change in housing situation:
  - Housing development summary (# units, type, location)
  - Rental summary (vacancy rate, average rents)
  - Social housing demand
2. Funding opportunities and policy directions by other levels of government
3. Priority and strategy update:
  - Status update of implemented strategies
  - Updated housing priority and strategy matrix
  - Uptake and impact of initiatives
  - Action plans

The priorities and strategies contained within the Housing Plan are generally directed to the City to lead their implementation. It is recognized that the housing challenges will not be addressed solely by the City in isolation but will require collaboration and the active contribution of other key housing stakeholders. These stakeholders should be engaged in the development of the annual housing summary report and the prioritization of the suggested strategies to allow contribution from each of their respective areas and to identify partnership opportunities moving forward.

To support the implementation of strategies contained within the Housing Plan it is recommended that the City pursue the action component of SHC's Encouraging Community Housing Options (ECHO) grant. A grant of up to \$10,000 in matching contributions can be available to Swift Current under the program to help the City take action on strategies identified in the Housing Plan. In order for the Housing Plan to be effective, it is also recommended that the City allocate staffing resources towards its implementation.



# A

## Appendix A - SHC and CMHC Funding Programs





**Saskatchewan Housing Corporation**  
**Funding Programs**



# Housing Programs In Saskatchewan

- **Black text** = pre-existing provincial government housing programs (i.e. existing prior to release of the housing strategy)
- † **Green text** = pre-existing strategies that have been redesigned and improved
- △ **Red text** = new provincial programs

- △ Summit Action Fund
- △ Encouraging Community Housing Options (ECHO)
  - (i) Housing Plan
  - (ii) Action

## Low-Income (below SHIMs)

New Supply  
- Non-Targeted

New Supply  
- Targeted

Sustaining Existing Supply

Affordability

Emergency Shelter Funding\*\*\*  
• Partnership with Habitat for Humanity  
• Shelter Enhancement Program - New

† Rental Repair  
• Adaptation for Independence  
• Shelter Enhancement Program - Renovation

† Homeowner Repair  
• Adaptation for Independence

• Social Assistance Shelter (indexed)\*\*\*  
• Social Housing Rental  
• Saskatchewan Rental Housing Supplement (indexed)\*\*\*  
• SHC Rent Supplement

## Moderate-Income (below SHIMs)

△ Rental Construction Incentive  
△ Corporate Income Tax Rebate on New Rental Housing\*  
△ Headstart on a Home\*\*  
△ Headstart Equity Builder (Credit Unions)

• Affordable Rental Development  
△ Affordable Home Ownership program  
† Secondary Suites  
• Conversion  
• ECHO - Development

Affordable Housing Rental  
△ Saskatchewan First-Time Homebuyers Tax Credit\*\*\*\*

## Higher-Income (above SHIMs)

\* Provided through Saskatchewan Housing Corporation and the Ministry of Finance

\*\* Provided through the Crown Investments Corporation

\*\*\* Provided through the Income Assistance and Disability Services Division, Ministry of Social Services

\*\*\*\* Provided through the Ministry of Finance





## What is the Affordable Housing Rental Program?

The program offers rental housing, commonly referred to as “affordable housing”, for people with moderate incomes. The rent is set at the low end of the private rental housing market for each community.

Affordable housing is available in over 80 communities in Saskatchewan and is suitable for seniors and families.

For families, affordable housing is intended to be short-term until a family is able to afford to buy or rent a home in the private housing market. For seniors, affordable housing is intended for the long-term.

## Who is the program for?

Anyone may apply, but affordable housing is intended for people with a moderate income who are mentally and physically capable of living independently with or without supports from family, community, and health or social services agencies.

Applications are approved based on income with priority given to applicants who have the lowest income.

## How to apply

Applications are available from your local housing authority. For more information please contact your nearest office:

### If you live in the four largest cities:

- Moose Jaw Housing Authority (306) 694-4055
- Prince Albert Housing Authority (306) 953-7420
- Regina Housing Authority (306) 525-2377
- Saskatoon Housing Authority (306) 668-2700

**If you live south of Prince Albert:** call **1-800-814-8688** for the number of the nearest office.

**If you live north of Prince Albert:** call **1-800-667-9656** for the number of the nearest office.



# Affordable Home Ownership Program

The Affordable Home Ownership Program:

- provides financial assistance to help municipalities stimulate homeownership
- reimburses participating municipalities an amount up to the equivalent of five years of the education portion of the property tax to provide homeowners assistance with the purchase of a home.

## Eligibility:

- Eligible municipalities must have a homeownership program which supports the acquisition of a home.
- The new homeowner (grant recipient):
  - Must have household income tested and household must be of moderate income;
  - Must complete a homeownership training course; and
  - Must meet any requirements established by the municipality's program.
- The municipality must contribute an amount at least equal to the amount of the municipal and education portion of property taxes to the new home's purchase price, either in cash or equivalent (e.g. land, etc.) to be used towards the down payment
- Eligible units are limited to new construction or units converted from non-residential to residential use.

## Other Details:

- A maximum period of five years support per property.
- The property must remain in good standing in the municipality's program.
- Funding is available on a first come first served basis.
- A maximum grant of \$5,000 per household.

**For information on this new program:** contact the Saskatchewan Housing Corporation at **933-6292 (toll free 1-866-245-5758)** or the AHOP Program directly via email at: [AHOP@gov.sk.ca](mailto:AHOP@gov.sk.ca).

**For all other programs visit:** [www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing) or if you live within the Northern Administration District (NAD), contact the Saskatchewan Housing Corporation toll free at **1-800-667-9656**.

If you live in central Saskatchewan, contact the Saskatchewan Housing Corporation toll free at **1-866-245-5758**; in Saskatoon call **933-6292**.

If you live in southern Saskatchewan, contact the Saskatchewan Housing Corporation toll free at **1-800-667-7567**.



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## Conversion Initiative

# KNOW THE FACTS

### Conversion Initiative:

- Provides financial assistance to property owners to convert a non-residential property into affordable rental housing units for low- to moderate-income households.

### Assistance:

- A forgivable loan to a maximum of \$30,000 for self-contained rental units or a maximum of \$23,000 per unit for rooming house units. Property owner is responsible for all required repair costs beyond the maximum assistance provided.

### Eligibility:

- Eligible properties are those which are environmentally safe, can be feasibly converted to residential accommodation and are located off-reserve.
- Applicants must own the property and house eligible tenants with annual household income below the applicable income limits as set by Saskatchewan Housing Corporation.
- Applicants must keep rents affordable based on the Saskatchewan Housing Corporation rent schedule for the term of the loan.

### Other Details:

- Work completed prior to receiving written approval from Saskatchewan Housing Corporation does not qualify for funding.
- Once approval is granted, work must be completed within twelve months.

#### Mail completed application to:

Saskatchewan Home Repair Program  
Suite 900 – 1920 Broad St.  
Regina, SK S4P 3V6

#### For further information:

Phone: 306-787-4177  
Toll Free: 1-800-667-7567  
Visit our website:  
[www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing)





## Corporate Income Tax Rebate on New Rental Housing

# KNOW THE FACTS

As a means to increase the supply of rental housing to the general public, the Corporate Income Tax Rebate on New Rental Housing provides a 10 year non-refundable Saskatchewan Corporate Income Tax (CIT) rebate to eligible corporations whose sole purpose is the rental of newly developed eligible multi-unit residential rental housing in Saskatchewan. The annual rebate during the 10 year eligibility period is calculated as 10 per cent of the amount of eligible income earned directly from the rental of eligible rental units.

### The Corporate Income Tax Rebate on New Rental Housing Offers:

- A ten percentage point reduction in the general Corporate Income Tax (CIT) rate levied on income earned from the rental of newly developed qualifying multi-unit rental housing.

### You Are Eligible For the Corporate Income Tax Rebate on New Rental Housing if:

- You are a private or public corporation with a permanent establishment in Saskatchewan and are solely engaged in the rental of newly constructed / developed eligible multi-unit residential rental housing in Saskatchewan.

### Other Important Details:

- Eligible rental housing includes newly constructed multi-unit rental housing projects which can include:
  - new construction including modular construction (e.g. apartment, row); and,
  - conversion of non-residential property to rental units (e.g. warehouse space conversion).
- Eligible multi-unit rental housing must consist of at least eight (8) fully self-contained rental units (i.e. full bathroom and kitchen facilities in each suite).
- Multi-unit assisted living housing projects for seniors are also eligible provided that they meet the general conditions listed above and are not included in the housing that is specifically excluded. These units do not have to be fully self-contained due to the nature of the housing project.

# KNOW THE FACTS

- Housing specifically excluded from the tax rebate includes living accommodation:
  - in a hotel, motel, motor hotel, resort, lodge or tourist camp, cottage, cabin, trailer, tourist home, bed and breakfast establishment or a farm vacation home;
  - in a rooming house;
  - provided for crisis or emergency shelters;
  - in a hospital, health centre, addiction treatment centre, special-care home, residential treatment centre or other facility that is designated pursuant to The Regional Health Services Act;
  - in a personal care home that is licensed pursuant to The Personal Care Homes Act’;
  - located on property that is being farmed if the living accommodation is being rented by a person engaged in farming that property; and,
  - for employee housing projects where eligibility for tenancy is limited by where one works / job site, and; units are not available for rent by the general public.
- Units registered under a building permit dated on or after March 21, 2012 and before January 1, 2014 are eligible to apply, assuming all other terms and conditions are met.
- Units must be available for rent by December 31, 2016.
- Acceptance is on a first come, first served basis. A maximum of 10,000 units will be eligible.
- The rebate can be determined based on a detailed calculation of “eligible rental income” or based on a simplified proxy calculation using “gross rental revenue.” The corporation may choose its preferred option, which will be used for the full 10 year rebate eligibility period.
- The corporation’s eligibility for the tax rebate will begin once the corporation is in a taxable position and will continue for a period of up to 10 consecutive years.
- Each year, eligible projects must submit the appropriate forms and documentation to receive that year’s rebate.

## For More Information:

Contact the Saskatchewan Housing Corporation by calling the SHC office in Regina at 787-4177 or toll free at 1-800-667-7567, or by visiting SHC’s website at <http://www.socialservices.gov.sk.ca/housing>.





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## Encouraging Community Housing Options – Action Component

KNOW THE FACTS

The Encouraging Community Housing Options Action Component:

- helps municipalities and regional partnerships to take action on strategies identified in a Housing Plan or to address a housing need identified through an assessment.
- provides municipalities and regional partnerships with a provincial grant of up to \$10,000 to match municipal expenditures.

### Eligibility:

- Municipalities or regional partnerships with populations over 2,500.
- Municipalities must have an Official Community Plan (OCP), or be in the process of developing an OCP. In the case of a regional partnership, the lead municipality must have an OCP or be in the process of developing an OCP.
- Municipalities must prove the implementation of the strategy will address a housing need identified within a Housing Plan or another type of assessment.
- The municipality or regional partnership must contribute an amount at least equal to the funding request.

### Other Details:

- Applications will be processed on a first come, first served basis.
- Funds must be used within six months of signing the agreement.
- This program applies to off-reserve housing.

**For information on this program:** Contact the Saskatchewan Housing Corporation at **787-4177 (toll-free 1-800-667-7567)** or the ECHO program directly via e-mail at: [ECHO@gov.sk.ca](mailto:ECHO@gov.sk.ca).

**For all other programs visit:** [www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing).

If you live within the Northern Administration District (NAD), contact the Saskatchewan Housing Corporation toll free at **1-800-667-9656**.

If you live in central Saskatchewan, contact the Saskatchewan Housing Corporation toll free at **1-866-245-5758**; in Saskatoon **933-6292**.

If you live in southern Saskatchewan, contact the Saskatchewan Housing Corporation toll-free at **1-800-667-7567**.





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# Encouraging Community Housing Options – Housing Plan Component

KNOW THE FACTS

The Encouraging Community Housing Options (ECHO) Housing Plan Component:

- helps municipalities and regional partnerships to develop a Housing Plan to better understand housing needs across the entire housing continuum.
- provides municipalities and regional partnerships with a provincial grant of up to \$20,000 to match municipal expenditures.

### Eligibility:

- Municipalities or regional partnerships with populations over 2,500.
- Municipalities must have an Official Community Plan (OCP), or be in the process of developing an OCP. In the case of a regional partnership, the lead municipality must have an OCP or be in the process of developing an OCP.
- The municipality or regional partnership must contribute an amount at least equal to the funding request.

### Other Details:

- Applications will be processed on a first come, first served basis.
- Funds must be used within six months of signing the agreement.
- This program applies to off-reserve housing.

**For information on this program:** Contact the Saskatchewan Housing Corporation at **787-4177 (toll-free 1-800-667-7567)** or the ECHO program directly via e-mail at: [ECHO@gov.sk.ca](mailto:ECHO@gov.sk.ca).

**For all other programs visit:** [www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing).

If you live within the Northern Administration District (NAD), contact the Saskatchewan Housing Corporation toll free at **1-800-667-9656**.

If you live in central Saskatchewan, contact the Saskatchewan Housing Corporation toll free at **1-866-245-5758**; in Saskatoon **933-6292**.

If you live in southern Saskatchewan, contact the Saskatchewan Housing Corporation toll-free at **1-800-667-7567**.



# Headstart on a Home

*Headstart on a Home (Headstart)* is a new provincial program that will support rental households that can afford homeownership to purchase a home.

It is expected that the program will create a minimum of 1,000 new entry level homeownership opportunities for moderate-income households over the next five years.

Program criteria includes:

- Loans will be provided to developers for 90 per cent (remaining 10 per cent provided by the developer) of construction cost including land costs at four per cent interest rate (which may be adjusted over time based on market conditions).
- The construction of new or redeveloped housing projects with valued in the range of \$180,000 to \$300,000 depending on the municipality.
- Projects may include condominiums, multi-unit, single family dwellings, modular homes, ready to move, warehouse conversions, etc.
- Pre-sales of homes are not required.
- Projects must add to the existing housing supply and not decrease the current rental supply (i.e. no condominium conversions).
- The homeowner will be subject to provisions to deter “flipping.”

**Please watch our website [www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing) for further details.**



# Rental Construction Incentive

The Rental Construction Incentive:

- helps municipalities to develop new purposely-built rental housing
- provides municipalities with a provincial grant of up to \$5,000 to match municipal grants or incentives to an owner for each eligible new rental unit constructed

## Eligibility:

- To be eligible for the maximum grant, the municipality must provide an incentive of \$5,000 per unit.
- The municipality may provide that incentive either in the form of the equivalent of the municipal property tax for a period up to five years, or other equivalent (e.g. land), or an up-front incentive.
- Purposely-built new rental unit construction (e.g. apartment, row, etc.) and non-residential property conversion to rental units are eligible. Units started or under construction over the life of the program (2011-2015) are also eligible.
- Buildings/projects that are receiving funding under other provincial government housing development programs **are not eligible** for this funding.

## Other Details:

- Municipalities offering incentives must register with Saskatchewan Housing Corporation (SHC) stating their intent and describing their program, including the type of incentive offered and the estimated number offered per year.

## For information on this new program:

Contact the Saskatchewan Housing Corporation at **933-6292 (toll free 1-866-245-5758)** or the RCI Program directly via email at [RCI@gov.sk.ca](mailto:RCI@gov.sk.ca).

**For all other programs visit:** [www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing) or

If you live within the Northern Administration District (NAD), contact the Saskatchewan Housing Corporation toll free at **1-800-667-9656**.

If you live in central Saskatchewan, contact the Saskatchewan Housing Corporation toll free at **1-866-245-5758**; in Saskatoon call **933-6292**.

If you live in southern Saskatchewan, contact the Saskatchewan Housing Corporation toll free at **1-800-667-7567**.



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## Rental Development Program

# KNOW THE FACTS

### The Rental Development Program:

- provides one-time capital funding to assist non-profit corporations, co-operative groups, municipalities and the private sector to develop affordable rental units for low-to-moderate income households.
- helps increase the supply of affordable housing for low-to-moderate households that is priced at or below the average market rent for comparable housing in that community or area.

### The Rental Development Program offers:

- a forgivable loan of up to a maximum of 70 per cent of total capital funding for a project for new construction.
- a forgivable loan of up to a maximum of 70 per cent of total capital funding for a project for acquisition and renovation. For acquisition and renovation, capital costs are not to exceed 75 per cent of replacement (i.e. new construction).

### You are eligible for the Rental Development Program if:

- You are a sponsor from a non-profit corporation, co-operative group, municipality, or the private sector that is in good standing with the Saskatchewan Housing Corporation (SHC). Individuals representing community associations, service groups, charities, church organizations, or other agencies that intend to incorporate may be eligible.
- You can demonstrate that you practice good governance and have the capacity to deliver any proposed service or have the support/partnership from a recognized agency to ensure the delivery of services.
- You can contribute a minimum of 30 per cent of the total capital cost of the project.



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# KNOW THE FACTS

- Your project's housing units are targeted to households with an annual gross household income at or below the Maximum Income Limits (MILs) as established by SHC.

## Other Important Details

- Sponsors must develop a minimum of four (4) units to qualify for the program.
- Housing units must be modest in floor area, design and amenities, and based on household needs and community norms.
- Rents must be set at or below average market housing rents for comparable housing in that community or area.
- Housing units must foster independent living. Institutional licensed facilities where care is being provided, such as personal care homes, are not eligible.
- Priority will be given to low-income client groups that include, but are not limited to:
  - households with dependents;
  - youth/young adults at risk such as youth in transition exiting the corrections system or child welfare system;
  - supportive housing such as First Nation and Métis students from rural or remote areas attending school away from their home communities; and
  - youth with multiple needs.

## For more information:

If you live within the Northern Administration District (NAD), contact the Saskatchewan Housing Corporation toll free at 1-800-667-9656.

If you live in central Saskatchewan, contact the Saskatchewan Housing Corporation toll free at 1-866-245-5758; in Saskatoon call 933-6292.

If you live in southern Saskatchewan, contact the Saskatchewan Housing Corporation toll free at 1-800-667-7567.



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## Saskatchewan Home Repair Program – Adaptation for Independence

KNOW THE FACTS

### Adaptation for Independence:

- Provides financial assistance for low- to moderate-income households to modify their dwellings to improve the accessibility for a household member or tenant with a housing-related disability to live independently.

### Assistance:

- A forgivable loan to a maximum of \$23,000. The property owner is responsible for all costs greater than the approved amount.

### Eligibility:

- Homeowners, applicants must own and occupy the property as their principal residence and have a household member with a housing-related disability.
  - The household income and asset levels must be at or below the established income and asset limits as determined by Saskatchewan Housing Corporation.
- Rental property owners must rent self-contained units or rooms in a rooming house to low-income households that include persons with housing-related disabilities.
  - Rental property owners must keep rents affordable based on the Saskatchewan Housing Corporation rent schedule for the term of the loan.
- The annual household income must be at or below the income limits established by Saskatchewan Housing Corporation.
- Property must meet the minimum health and safety standards to be eligible for funding. Applicants may be eligible for funding under Homeowner Repair or Rental Repair to bring the property up to minimum health and safety standards.

### Other Details:

- Modifications required must be identified by a qualified health practitioner.
- Repairs completed prior to receiving written approval from Saskatchewan Housing Corporation do not qualify.
- Once approval is granted, work must be completed within six months.



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#### Mail completed application to:

Saskatchewan Home Repair Program  
Suite 900 – 1920 Broad St.  
Regina, SK S4P 3V6

#### For further information:

Phone: 306-787-4177  
Toll Free: 1-800-667-7567  
Visit our website:  
[www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing)



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## Saskatchewan Home Repair Program – Homeowner Repair

KNOW THE FACTS

### Homeowner Repair:

- Provides financial assistance for low- to moderate-income homeowners to undertake major repairs to their dwelling that will bring the unit up to minimum health and safety standards. OR
- Provides financial assistance for low- to moderate-income homeowners to undertake emergency repairs to their dwelling.

### Assistance:

- A forgivable loan to a maximum of \$23,000 to address health and safety standard issues and extend the useful life of the property by fifteen (15) years. A maximum of \$6,000 is available for emergency repairs. Emergency repair assistance is exempt from the minimum health and safety and 15 year useful life extension requirements. The homeowner is responsible for all costs greater than the approved amount.

### Eligibility:

- Applicants must own and occupy the property as their principal residence.
- The annual household income must be at or below the established income limits as determined by Saskatchewan Housing Corporation.
- The household asset level must be at or below the established asset limits as determined by Saskatchewan Housing Corporation.
- The property must be substandard or deficient and require major repairs or be lacking in basic facilities in at least one of these components structural, electrical, plumbing, heating system, or fire safety.

### Other Details:

- Repairs completed prior to receiving written approval from Saskatchewan Housing Corporation do not qualify for assistance.
- Once approval is granted, the homeowner must have all work completed within six months for health and safety repairs, and three months for emergency repairs.

#### Mail completed application to:

Saskatchewan Home Repair Program  
Suite 900 – 1920 Broad St.  
Regina, SK S4P 3V6

#### For further information:

Phone: 306-787-4177  
Toll Free: 1-800-667-7567  
Visit our website:  
[www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing)



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## Saskatchewan Home Repair Program – Rental Repair

# KNOW THE FACTS

### Rental Repair:

- Provides financial assistance to rental property owners to undertake repairs to units occupied by low-income tenants which will bring the units up to minimum health and safety standards.

### Assistance:

- A forgivable loan to a maximum of \$30,000 per unit for self-contained suites in a multi-unit building, or \$23,000 per unit for rooming house units or single family dwellings.
- Rental property owners are required to contribute a minimum of 25 per cent of the eligible repair costs.

### Eligibility:

- Applicants must own the property and house tenants with annual household income below the applicable income threshold as set by Saskatchewan Housing Corporation.
- Applicants must keep rents affordable based on the Saskatchewan Housing Corporation rent schedule for the term of the loan.
- Property must be below minimum health and safety standards to be eligible for funding.

### Other Details:

- Repairs completed prior to receiving written approval from Saskatchewan Housing Corporation do not qualify.
- Once approval is granted, work must be completed within 12 months.

#### Mail completed application to:

Saskatchewan Home Repair Program  
Suite 900 – 1920 Broad St.  
Regina, SK S4P 3V6

#### For further information:

Phone: 306-787-4177  
Toll Free: 1-800-667-7567  
Visit our website:  
[www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing)







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## Secondary Suite Program

KNOW THE FACTS

- Provides financial assistance to eligible homeowners and rental property owners to construct or renovate a secondary suite in the form of a forgivable loan for 50% of the total construction/renovation costs to a maximum of \$30,000 per suite.
- Helps increase the supply of affordable housing for low- to moderate-income people.

### Eligibility Criteria:

- Applicants must own existing property or be in the process of purchasing or contracting\* a newly constructed home that includes plans to develop a secondary suite.
- Applicants must house eligible tenants that have an annual gross household income below the applicable income threshold as set out by Saskatchewan Housing Corporation.
- Applicants must keep rents affordable based on the Saskatchewan Housing Corporation rent schedule for the term of the loan.
- The secondary suite must be a private, self-contained residential unit that meets all national, provincial and municipal bylaws, codes and standards.

**NOTE:** Applicants must receive written funding approval from Saskatchewan Housing Corporation prior to commencing renovations on an existing suite OR prior to placing the first initial tenant in a new suite.

\* New construction applications where land has not been transferred to the purchaser must be accompanied by: the Developer building permit, a copy of the plans and building specifications, copy of the sales agreement/building contract, a breakdown of building costs associated with the secondary suite, and purchaser confirmation of financing.

#### Mail completed application to:

Saskatchewan Housing Corporation  
Rental Repair Programs  
11th Floor, 1920 Broad St.  
Regina, SK S4P 3V6

#### For further information:

Phone: 306-787-4177  
Toll Free: 1-800-667-7567  
Visit our website:  
[www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing)





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## Shelter Enhancement Program – New

KNOW THE FACTS

### Shelter Enhancement Program – New:

- Provides financial assistance to increase the number of emergency shelters and second stage housing units available for victims of family violence, or households in need.

### Assistance:

- A forgivable loan amount up to 100 per cent of the project capital costs. No assistance will be provided to cover ongoing operating costs.

### Eligibility:

- Non-profit corporations, First Nations groups, or charities whose principal objective is to operate housing for victims of family violence, or households in need.
- Project must be located off-reserve.
- Project must create additional shelter units or second stage housing accommodation for victims of family violence, or households in need.
- Project must be designed to provide interim accommodation, not permanent accommodation.
- Sponsors must submit proof of a confirmed need or demand for their proposal.
- Sponsors must submit a viable capital plan and an operations sustainability plan that identifies all sources of long-term project and program funding.

#### Mail completed application to:

Saskatchewan Home Repair Program  
Suite 900 – 1920 Broad St.  
Regina, SK S4P 3V6

#### For further information:

Phone: 306-787-4177  
Toll Free: 1-800-667-7567  
Visit our website:  
[www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing)





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## Shelter Enhancement Program – Renovation

KNOW THE FACTS

### Shelter Enhancement Program – Renovation:

- Provides financial assistance or repairs necessary to bring existing emergency shelters or second stage housing for victims of family violence, or households in need to an acceptable level of health, safety, and security.

### Assistance:

- A forgivable loan to a maximum of \$30,000 per unit.

### Eligibility:

- Non-profit corporations, First Nations groups, or charities, whose principal objective is to operate housing for victims of family violence, or households in need.
- Property must be located off-reserve.
- Property must provide emergency shelter or second stage housing for women and children, youth, or men who are victims of family violence, or households in need.
- Property must be below the minimum health and safety standards to be eligible for funding.

### Other Details:

- Repairs completed prior to receiving written approval from Saskatchewan Housing Corporation do not qualify.
- Once approval is granted, work must be completed within six months.

#### Mail completed application to:

Saskatchewan Home Repair Program  
Suite 900 – 1920 Broad St.  
Regina, SK S4P 3V6

#### For further information:

Phone: 306-787-4177  
Toll Free: 1-800-667-7567  
Visit our website:  
[www.socialservices.gov.sk.ca/housing](http://www.socialservices.gov.sk.ca/housing)



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## What is the Social Housing Rental Program?

The program offers rental housing, commonly referred to as “social housing”, for people with low incomes or people who are victims of abuse. The rent is based on a tenant’s income — the lower the income, the lower the rent.

Social housing is available in over 300 communities in Saskatchewan. This housing is suitable for seniors and families, but some is suitable for persons with a disability.

For families, social housing is intended to be short-term until a family is able to afford to buy or rent a home in the private housing market. For seniors, social housing is intended for the long-term.

Tenants of social housing can form an association and apply for a grant to help them organize and co-ordinate access to community programs and services to help them maintain or increase their independence.

## Who is the program for?

Anyone may apply, but social housing is intended for people with a low income who are mentally and physically capable of living independently with or without supports from family, community, and health or social services agencies.

Applications are approved based on need with priority given to applicants who:

- are homeless;
- are victims of family violence;
- spend more than 30 per cent of their gross household income on shelter, which includes rent, heat, water, and sewer costs;
- live in a home without enough bedrooms to accommodate the number and kind of people who live there; and
- live in a home that is in poor condition, aggravates a health problem, or is unsuitable for someone with a physical disability.

## For more information please contact your nearest office:

### If you live in the four largest cities:

- Moose Jaw Housing Authority  
(306) 694-4055
- Prince Albert Housing Authority  
(306) 953-7420
- Regina Housing Authority  
(306) 525-2377
- Saskatoon Housing Authority  
(306) 668-2700

### If you live south of Prince Albert:

call **1-800-814-8688** for the number of the nearest office.

### If you live north of Prince Albert:

call **1-800-667-9656** for the number of the nearest office.

## SOCIAL HOUSING PROGRAM CHANGES – FACT SHEET

### KEY FACTS ON SASKATCHEWAN HOUSING CORPORATION'S SOCIAL HOUSING PROGRAM

- Social Housing = rent is calculated as a percentage of income.
- Saskatchewan Housing Corporation owns/operates approximately 14,700 social housing units across the province.
- Saskatchewan currently has the most social housing units per capita of all western provinces.

<b>FIVE MAJOR CHANGES TO THE SOCIAL HOUSING PROGRAM</b>
<p><b>1. NEW ELIGIBILITY CRITERIA</b></p> <ul style="list-style-type: none"><li>• No eligibility criteria currently exist around income or asset levels.</li><li>• New criteria will include maximum income and asset criteria</li><li>• Changes will not apply to existing tenants</li></ul>
<p><b>2. PRIORITIZATION OF APPLICANTS</b></p> <ul style="list-style-type: none"><li>• Current prioritization of applicants puts the greatest emphasis on affordability</li><li>• The new criteria adds things like the safety and condition of the household's existing dwelling, whether their current home is overcrowded, and consideration for those who are homeless or victims of domestic abuse.</li></ul>
<p><b>3. CHANGES TO THE RENT SCALE</b></p> <ul style="list-style-type: none"><li>• Currently, rent is determined based on a complex Graduated Rent Scale that has some households paying different income levels for their rent than others.</li><li>• Most tenants will now be charged rents at 30 per cent of adjusted household income, which is consistent with the CMHC National Affordability Standard ("adjusted" refers to the exclusion of benefits such as Federal and Provincial benefits for children, seniors or persons with disabilities such as Universal Child Care benefit or the Senior Income Plan)</li><li>• This change will create more transparent rental rates and be fairer to both existing and prospective tenants.</li></ul>
<p><b>4. CHANGES TO THE MAXIMUM RENTAL RATE</b></p> <ul style="list-style-type: none"><li>• Currently, rental rates are capped at \$800 regardless of income level.</li><li>• Nearly 800 households living in social housing units currently have their rent capped at \$800, despite having income levels that would otherwise put them at rents above the cap. This includes a minimum of 15 households with incomes over \$100,000 per year.</li><li>• Removing the cap should incent these households to move to the private market and create more spaces for those with the greatest housing need.</li></ul>
<p><b>5. CHANGES TO THE MINIMUM RENTAL RATE</b></p> <ul style="list-style-type: none"><li>• Currently, minimum rent is \$100/month despite the fact the minimum shelter benefit from the Ministry of Social Services is \$314/month.</li><li>• New tenants will pay a new minimum of \$314 and be encouraged to access the full benefits available to them.</li></ul>

**\*IN ORDER TO PROTECT THE LEAST WELL-OFF TENANTS IN SOCIAL HOUSING, NONE OF THESE CHANGES WILL APPLY TO EXISTING TENANTS PAYING UNDER \$314/MONTH.**

**Canadian Mortgage and Housing Corporation  
Funding Programs**





CANADA MORTGAGE AND HOUSING CORPORATION

## SEED FUNDING PROGRAM DETAILS



“We found out that CMHC’s Seed Funding could help with a feasibility project, to see what is possible, what kind of funding would be available, putting together a business plan and maybe a financing plan.”

*Non-profit developer*

04-07-12



66575

Canada 



## Seed Funding

The CMHC Affordable Housing Centre has a team of experts on affordable housing that work with the private, public and non-profit sectors to help develop affordable housing. The Centre provides assistance towards the development of affordable housing projects whose viability does not require long term federal government funding.

The successful development of affordable housing requires the right skills, expertise and commitment. Proponents need to be organized, know how to evaluate housing need and demand, and find funding and other resources to take a housing project from vision to reality.

CMHC Seed Funding provides the financial assistance to carry out the initial activities required to develop a proposal for a specified affordable housing project that will result in increasing the stock of affordable housing in Canada.

### What is the maximum funding amount?

The maximum amount of Seed Funding is \$20,000 per housing project.

- Up to \$10,000 is available as a grant (no repayment required)
- Up to \$10,000 may be available as an interest-free loan, which is repayable if the housing project proceeds

- In order to be eligible, all expenses must be incurred after CMHC's written approval of Seed Funding.

### What types of housing projects are eligible?

Funds must be used to develop proposals for specified housing projects that will increase the stock of affordable housing in Canada. There are no restrictions on tenure type, building form or intended residents. Projects can be:

- New construction
- Conversion from non residential use to residential affordable housing
- Renovation of existing units to prevent them from demolition or abandonment

The proposed housing project must be affordable and meet the following affordability criteria.

### Affordability Criteria:

Units must be modest in size, design, and amenities in relation to comparable units in the area, AND

**For rental projects:** Rents for the majority of units in a housing project must be within the levels representing the 80th and 65th rent percentiles (referred to as Levels 1 and 2, respectively). The rent levels are derived from the most recent data gathered

from CMHC's rental market survey and are published semi-annually by CMHC :

<http://www.cmhc.ca/en/inpr/afhoce/fias/upload/Criteria.pdf>

**For homeowner projects:** Units must be priced below the average selling price for comparable units in the market area (usually the MLS average for the municipality), and below comparable units in their immediate neighbourhood.

### Who is eligible?

Seed Funding may be made available to any proponent planning to create a specific housing project that will be affordable. For example, the proponent may be:

- A private entrepreneur/builder/ developer
- A private non-profit housing organization
- A non-profit co-operative
- A group of individuals who may or may not intend to become incorporated
- A faith-based organization
- A municipality
- A First Nation



### What activities are eligible?

Seed Funding may be used for a variety of activities in the early stages of developing a proposal for a specific housing project. In order to be eligible, all expenses must be incurred after CMHC's written approval of Seed Funding. Expenses must be directly related to the achievement of any of the following activities:

- Incorporation
- Analysis of need and demand for the proposed project
- Preliminary analysis of financial viability
- Preliminary design of the housing project
- Preparation of business plan

### What activities are not eligible?

- Expenses not related to the development of the housing project proposal
- Expenses related to “hard” project development activities, such as site preparation, lot servicing, construction, renovation
- Ongoing operating expenses of the organization, such as staff salaries and benefits, travel expenses, rental of office space, premiums for liability insurance or other insurance, office supplies or equipment
- Retainer fees paid to consultants or other professionals for work to be completed in the future

### How will the actual funding amount be determined?

CMHC will consider the nature of the proposal, the amount and cost of work that is required to carry out the eligible activities.

### What are the conditions of funding?

Applicants selected by CMHC must sign an Agreement with CMHC that defines the terms and conditions of funding, including a list of activities for which funding is being provided and the dollar amount approved. The Agreement will specify an amount to be advanced in the form of a grant (\$10,000 or less).

After the grant has been fully advanced, a loan (of \$10,000 or less) may be advanced upon CMHC's review of the project's progress. The loan amount is interest-free, and repayable if the housing project proceeds.

CMHC will advance funds only for eligible expenses incurred after the date of written approval from CMHC that can be confirmed with invoices or receipts.

A need and demand study must be completed to CMHC's satisfaction for the proposed housing project, and an acceptable business plan must be received by CMHC before further funds will be advanced for additional approved activities.

### What is the process to request a funding advance?

A letter outlining the eligible project expenses supported by invoices must be submitted to CMHC. Payments will be made to the proponent or organization.

### Is there a time limit to complete the funded activities?

Funded activities must be completed within a specified time, usually one year from the date of signing of the Agreement. A longer time period may be negotiated when appropriate.

### Are there any other requirements?

Quarterly reports must be submitted to CMHC to help them stay current on the project's development. The report should include project status and progress made since the last report, challenges that the project may be facing, work undertaken by consultants (if applicable), a summary of eligible expenditures for eligible Seed Funding activities and what activities are planned for the upcoming quarter.

**Will recipients of Seed Funding be eligible for other CMHC initiatives?**

Successful Seed Funding recipients may apply for other CMHC initiatives. However, approval of Seed Funding does not guarantee approval of other forms of CMHC assistance.

Some of CMHC's other initiatives, including interest-free repayable Proposal Development Funding loans and Mortgage Loan Insurance Flexibilities, are available only for housing projects with a minimum of five units which must also meet CMHC's affordability criteria.

For more information on CMHC's Affordable Housing Centre, our comprehensive range of affordable housing information, tools and resources, or financial assistance, such as Proposal Development Funding ([http://www.cmhc.ca/en/inpr/afhoce/fias/fias\\_004.cfm](http://www.cmhc.ca/en/inpr/afhoce/fias/fias_004.cfm)) or Mortgage Loan Insurance Flexibilities ([http://www.cmhc.ca/en/inpr/afhoce/afhoce\\_002.cfm](http://www.cmhc.ca/en/inpr/afhoce/afhoce_002.cfm)), please visit [www.cmhc.ca/affordablehousing](http://www.cmhc.ca/affordablehousing) or contact a CMHC representative: [www.cmhc.ca/contactahc](http://www.cmhc.ca/contactahc).



CANADA MORTGAGE AND HOUSING CORPORATION

# PROPOSAL DEVELOPMENT FUNDING PROGRAM DETAILS



“Thanks to CMHC, the amount that I had to invest from my own funds was reduced, which allowed me to proceed more quickly, and offer more affordable rental units in a municipality that greatly needs them.”

*Private sector developer*

04-07-12



66983

Canada 

  
CMHC  SCHL  
HOME TO CANADIANS

## Proposal Development Funding (PDF)

The CMHC Affordable Housing Centre has a team of experts on affordable housing that work with the private, public and non-profit sectors to help develop affordable housing. The Centre provides assistance towards the development of affordable housing projects whose viability does not require long term federal government funding.

The Centre offers Proposal Development Funding (PDF), which are repayable interest-free loans to facilitate the development of affordable housing in Canada. PDF loans help with the up-front expenses incurred during the process of developing an affordable housing project proposal and enable housing proponents to carry out the activities required to bring their proposal to the point where they can apply for mortgage financing.

*PDF loans are NOT available for housing proposals whose viability or level of affordability depends upon subsidies originating from Federal-Provincial/Territorial affordable housing agreements.*

### What is the maximum PDF loan amount?

Up to \$100,000 is available to develop an affordable housing project proposal. CMHC will determine the actual amount, depending on the size and

complexity of the intended project and how much development work needs to be done. In order to be eligible, all expenses must be incurred after CMHC's written approval of PDF.

### What types of housing projects are eligible?

Funds must be used to develop proposals for specific housing projects that will increase the stock of affordable housing in Canada. There are no restrictions on tenure type, building form or intended residents. Projects can be:

- New construction
- Conversion from non-residential use to residential affordable housing
- Renovation of existing units to prevent them from demolition or abandonment.

The proposed housing project must be affordable and meet the following affordability criteria.

### Affordability Criteria:

Units must be modest in size, design, and amenities in relation to comparable units in the area, AND

**For rental projects:** Rents for the majority of units in a housing project must be within the levels representing the 80th and 65th rent percentiles (referred to as Levels 1

and 2, respectively). The rent levels are derived from the most recent data gathered from CMHC's rental market survey and are published semi-annually by CMHC:

<http://www.cmhc.ca/en/inpr/afhoce/fias/upload/Criteria.pdf>

**For homeowner projects:** Units must be priced below the average selling price for comparable units in the market area (usually the MLS average for the municipality), and below comparable units in their immediate neighbourhood.

### Who is eligible for funding?

PDF may be made available to any proponent of a housing project that will be affordable. For example, the proponent may be:

- A private entrepreneur/builder/developer
- A private non-profit housing organization
- A non-profit co-operative
- A group of individuals who may or may not intend to become incorporated
- A faith-based organization
- A municipality
- A First Nation

### What activities are eligible?

PDF loans are to be used to pay for a variety of activities required to bring a proposal to the point of applying for mortgage financing. In order to be eligible, all expenses must be incurred after CMHC's written approval of PDF. Expenses must be directly related to the achievement of any of the following activities:

- Soil load-bearing tests
- Environmental site assessments
- Project drawings and specifications
- Professional fees, cost estimates
- Management plan
- Option to purchase
- Development permits
- Contract documents and application fees

### What activities are not eligible?

- Expenditures incurred for activities carried out prior to CMHC's approval of PDF
- Expenses not related to the development of the housing project proposal
- Ongoing operating expenses of the organization, for example staff salaries and benefits, travel expenses, rental of office space, premiums for liability insurance or other insurance coverage, office supplies or equipment, or other similar expenses
- Retainer fees paid to consultants

### How will the actual funding amount be determined?

CMHC will consider the nature of the proposal, the amount and cost of work that is required to carry out the eligible activities.

### What are the conditions of funding?

Successful applicants must enter into a Loan Agreement with CMHC that defines the terms and conditions of the loan, including the activities for which the loan is being provided, the dollar amount approved and the specified time period within which the activities must be carried out.

PDF loans will not exceed \$100,000 per affordable housing project. The actual amount may be less than \$100,000 depending on the nature of the proposal, the size and complexity of the project, and the extent of project development activities to be undertaken.

CMHC will advance funds only for eligible expenses incurred after the date of written approval from CMHC that can be confirmed with invoices or receipts. Expenditures incurred prior to the approval date are not eligible.

A need and demand study must be completed to CMHC's satisfaction for the proposed housing project and an acceptable business plan must be received by CMHC before funds will be advanced.

### What is the process to request a funding advance?

A letter outlining the eligible project expenses supported by invoices must be submitted to CMHC. Payments will be made directly to the proponent or organization.

### What are the loan repayment requirements?

A PDF loan is an advance of the capital costs of the project. If the project proceeds, the PDF loan is repaid out of the project's capital financing, normally from the first advance of the mortgage loan. CMHC's PDF loans are interest-free, therefore only the principal amount is repaid. If the project proceeds and meets one of the affordability criteria below, a portion of the loan may be forgiven:

- 20 per cent will be forgiven if the project succeeds in offering rents below the **level 1** limits for the majority of the rental units, **or** sale prices below market for home ownership (i.e., only 80 per cent of the advanced loan amount will be repayable) and
- 35 per cent will be forgiven if the project succeeds in offering rents below the **level 2** limits for the majority of the units (i.e., only 65 per cent of the advanced loan amount will be repayable).

If the proponent is successful in producing housing but unable to achieve rent levels or sale prices low enough to meet CMHC's



affordability criteria, then the full amount of the PDF loan is repayable, without interest.

#### Are there any other requirements?

Quarterly reports must be submitted to CMHC to help them stay current on the project's development. The report should include information such as project status and progress made since the last report, challenges that the project may be facing,

work undertaken by consultants (if applicable), a summary of expenditures for eligible PDF activities and what activities are planned for the next quarter.

#### Will recipients of Proposal Development Funding be eligible for other CMHC initiatives?

Affordable housing proponents who are selected to receive PDF may also apply for other CMHC initiatives,

such as Seed Funding and Mortgage Loan Insurance Flexibilities.

However, an approval by CMHC of PDF is not a guarantee that the housing project proposal will be approved for other forms of CMHC assistance. The project must also meet the required criteria for these additional initiatives as determined by CMHC.

For more information on CMHC's Affordable Housing Centre, our comprehensive range of affordable housing information, tools and resources, or financial assistance, such as Seed Funding ([http://www.cmhc-schl.gc.ca/en/inpr/afhoce/fias/fias\\_001.cfm](http://www.cmhc-schl.gc.ca/en/inpr/afhoce/fias/fias_001.cfm)) or Mortgage Loan Insurance Flexibilities ([http://www.cmhc.ca/en/inpr/afhoce/afhoce\\_002.cfm](http://www.cmhc.ca/en/inpr/afhoce/afhoce_002.cfm)), please visit [www.cmhc.ca/affordablehousing](http://www.cmhc.ca/affordablehousing) or contact a CMHC representative: [www.cmhc.ca/contactahc](http://www.cmhc.ca/contactahc).

# OPEN NEW DOORS TO AFFORDABLE HOUSING



...With CMHC Mortgage Loan Insurance

65404



Canada 





As Canada's national housing agency, Canada Mortgage and Housing Corporation (CMHC) is committed to facilitating the creation of affordable housing in Canada. One of the primary ways that CMHC contributes is through the provision of mortgage loan insurance to lenders.

By providing insurance to lenders, CMHC enables home buyers to access mortgage financing with a minimum down payment of 5% and at interest rates typically only available to home buyers with larger down payments. The reduced equity requirements also benefit developers of multi-unit properties who can obtain larger loans to finance their buildings.

## Flexibility for Affordable Housing

To support the creation of affordable housing units, CMHC enables lenders to offer financing flexibilities to home buyers as well as developers of multi-unit properties.





# Affordable Homeownership Housing



Proponents who create affordable housing projects may obtain mortgage financing flexibilities intended to assist potential home buyers in realizing their dream of homeownership. For instance, home buyers purchasing an affordable home from one of these projects may receive flexibility from lenders with respect to eligible sources of down payment and borrower qualification requirements when the home is financed with a CMHC-insured mortgage.

## Flexibility in Down Payment Sources

For most potential home buyers, the hardest part of buying a home is saving the necessary down payment. Most mortgage loan insurance products require home buyers to provide the down payment from their own resources such as savings and RRSPs. For homes purchased under an eligible affordable homeownership proposal, CMHC will accept a broader range of down payment sources including borrowed down payments, non-repayable grants, sweat-equity and any portion of rent paid under rent-to-own proposals. This flexibility facilitates access to homeownership by providing home buyers with greater down payment choice.

## Flexibility in Qualifying Borrowers

Typically, lenders require that monthly housing costs (mortgage principal and interest, taxes and heating expenses) not be more than 32% of a borrower's gross household monthly income. For purchasers of affordable housing, a higher ratio may be permitted.

# Affordable Multi-Unit Housing

CMHC offers mortgage loan insurance flexibilities to facilitate the production of new affordable multi-unit properties by allowing larger rental loans, reducing mortgage loan insurance premiums, and providing greater flexibility related to cash flow requirements and loan advancing. The flexibilities are available to eligible multi-unit properties where the units will be modest in size and design, and are to be rented at affordable levels. The level of flexibility is related to the level of housing project affordability and is available on mortgage loans to any borrower that meets the eligibility criteria, including non-profit and for profit organizations.

## Reduced Equity Requirements and Larger Loans

Raising sufficient equity can be a challenge when building affordable multi-unit properties. With CMHC Mortgage Loan Insurance, lenders are able to offer affordable housing sponsors larger loans, up to 95% of the value of the project. For projects funded under federal/provincial agreements, financing of up to 95% of cost is available. These flexibilities are offered until December 31, 2013.

## Premium Discounts/Lower Financing Costs

CMHC offers a reduced premium schedule for new affordable multi-unit properties. For projects funded under federal/provincial agreements premiums are waived completely.

## Flexibility in Cash Flow Requirements

Adequate cash flow ensures that there is sufficient income to cover project operating costs, with a margin left over to cover unexpected increases in expenses or reductions in revenue. For affordable multi-unit properties, CMHC will consider insuring loans on projects with smaller cash flow margins than those required for market rental projects, which may enable many new affordable rental projects to qualify for a larger insured loan.

## Loan Advancing Flexibility

During the construction of a rental project, lenders usually advance mortgage funds based on the stage of completion with the final advance generally released when the project has achieved stabilized rental revenues. This "rental achievement holdback" can last up to one year. For affordable multi-unit properties, depending on the project's level of affordability, this holdback can be released earlier or waived completely allowing borrowers to obtain the full loan amount sooner and lowering costs during construction.

# Help When You Need It



## Team up with Experts

CMHC has a team of experts in affordable housing that can offer a full range of support, including financial assistance, advice and guidance to assist individuals and organisations to develop

affordable housing proposals. Call on the Affordable Housing Centre experts to help connect you with the resources, knowledge and contacts to take ideas from the drawing board to ground breaking.

## Get Off to a Good Start

CMHC offers a combined grant and loan of up to \$20,000 to potential housing proponents who are in the very early stages of developing an affordable housing project proposal that meets CMHC criteria. This Seed Funding can be used for eligible initial activities required for making a project a reality, such as assessing need and demand in a community or determining funding and resource needs.

## Make It Work

For affordable housing projects that do not require long-term federal government funding, Proposal Development Funding is available, in the form of an interest-free loan of up to \$100,000, to help housing proponents carry out the activities required to bring their proposal to the point of obtaining financing. A portion of the PDF loan may be forgivable if the project is successful in meeting CMHC's affordability criteria.

## Viability Assessments

The CMHC Viability Assessment Tool available on CMHC's Web site helps affordable rental housing proponents to become more informed of available financing options.

Discover the solutions available from  
the Affordable Housing Centre.

Visit [www.cmhc.ca/affordablehousing](http://www.cmhc.ca/affordablehousing)  
or call **1-800-668-2642**.



CANADA MORTGAGE AND HOUSING CORPORATION

# FLEXIBILITIES FOR AFFORDABLE HOUSING

## Homeowner Mortgage Loan Insurance

As Canada's national housing agency, Canada Mortgage and Housing Corporation (CMHC) is committed to facilitating the creation of affordable housing in Canada. One of the primary ways that CMHC contributes to this objective is through the provision of mortgage loan insurance to lenders. By providing mortgage loan insurance, CMHC enables homebuyers to access mortgage financing with a minimum down payment of 5% and at interest rates typically only available to homebuyers with larger down payments.

For specific affordable housing proposals, CMHC's Flexibilities for Affordable Housing enables lenders to offer financing options to homebuyers purchasing a home under an eligible proposal. For instance, homebuyers may receive flexibility from lenders with respect to eligible sources of down payment and borrower qualification requirements when the home is financed with a CMHC-insured mortgage.

### What is Mortgage Loan Insurance?

Mortgage loan insurance helps protect lenders against mortgage default, and enables consumers to purchase homes with a minimum down payment of 5% – with interest rates comparable to those with a larger downpayment.

Mortgage loan insurance is usually required when the borrower has a down payment of less than 20% of the purchase price.

This guide is intended to provide information and general guidance to housing proponents concerning the available mortgage loan insurance flexibilities for affordable housing proposals. Proponents are encouraged to consult with CMHC's team of affordable housing experts in preparing their proposal.

### What Flexibilities are Available for Affordable Housing?

CMHC's affordable housing flexibilities include:

- Broader range of down payment sources
- Flexibility in qualifying borrowers

### Flexibility in Down Payment Source

For most potential homebuyers, the hardest part of buying a home is saving the necessary down payment. For homes purchased under an eligible affordable housing proposal, CMHC will accept a broader range of down payment sources as follows:

## Everything You Need to Open New Doors



*This guide is for general information purposes only and is in addition to and subject to CMHC's underwriting policies. Circumstances vary significantly for each project and this guide does not take into account all possible circumstances that may be considered in the underwriting process. Actual eligibility for mortgage loan insurance flexibilities will be determined by CMHC. © 2012, Canada Mortgage and Housing Corporation.*



# FLEXIBILITIES FOR AFFORDABLE HOUSING

**Sweat Equity** - Up to 100% of the down payment can be comprised of sweat equity or labour supplied by the homebuyer and/or other persons provided that they are qualified to do the work.

**Grants** – In addition to grants from federal, provincial or municipal agencies, grants from the proponent and/or other non-governmental organizations are eligible sources of down payment.

**Borrowed Down Payments** - The down payment may come from funds borrowed from the housing proponent who may secure the loan by registering a second mortgage on the property.

**Rent-to-Own Payments** - Any portion of rent-to-own payments may be considered as a source of down payment as long as it is provided for in an agreement between the housing proponent or vendor, and the homebuyer.

## Flexibility in Qualifying Borrowers

Typically, lenders require that monthly housing costs (mortgage principal and interest, taxes and heating expenses) do not exceed 32% of a borrower's gross household monthly income. For purchasers of homes developed under an affordable housing proposal, a higher ratio may be permitted.

It is important to note that all of the above underwriting flexibilities are in addition to, and are subject to CMHC's general underwriting criteria which apply unless otherwise specified. CMHC assesses the overall merit of all applications taking into consideration factors related to the borrower, property and market.

## What is the process for obtaining CMHC's affordable housing flexibilities?

The proponent must submit a proposal to CMHC identifying, among other things, the number of affordable properties being created through new construction or acquisition/improvement of existing properties (residential properties or conversion of commercial properties) and the CMHC underwriting flexibilities being sought. Proponents may also propose other flexibilities for consideration. CMHC will review the proposal and advise the proponent of the results of the review.

Homebuyers purchasing a home under an approved proposal may apply for CMHC-insured mortgage financing from a CMHC Approved Lender. The lender will then submit an application for mortgage loan insurance to CMHC. CMHC will assess the lender's application

for mortgage loan insurance based on the flexibilities granted through the proponent's proposal. All other CMHC general requirements apply, including but not limited to the purchaser's credit worthiness, the value of the property being purchased, and the stability of the housing market where the property is situated.

## What are the Proposal Requirements?

### Affordable homeowner housing must be:

- modest in terms of floor area, design, and amenities when compared to community norms; and
- priced below the average selling price for comparable units in the market area (usually the MLS average for the municipality) as well as below comparable units in the immediate neighbourhood in which these units will be located.

A minimum of five new or existing, one or two unit properties for owner-occupancy must be created. These include single detached units, duplexes, semi-detached, or condominium units. The properties do not have to be in a single location.

# FLEXIBILITIES FOR AFFORDABLE HOUSING

## Information on the Housing Proponent

A general description of the proponent's organization and its history in developing affordable housing is required. A list of previous housing projects should be included identifying the number of units and location, if applicable. The organization's legal structure (non-profit, incorporated or non-incorporated business, partnership, etc.), mandate, and the names of the organization's principals should be noted.

## Information on the Housing Units/Properties

Information on the housing units is required including the number and type of units being developed, their size and location, the cost to develop, and selling price (attach the floor plans for the units if available). The acquisition of existing properties (residential or commercial) should result in the creation of housing units which are more affordable than otherwise would have been available or developed. The proposal should clearly demonstrate that the housing units and property prices meet CMHC's requirements of an affordable housing unit.

## Specific underwriting flexibilities and conditions requested

The proposal should identify one or more of the underwriting flexibilities that the proponent wishes to make available to borrowers purchasing units developed under the proposal.

### Down payment flexibilities:

For sweat equity, the proposal should provide detail on the value of the sweat equity as confirmed in writing by a qualified professional such as an appraiser or general contractor. If the sweat equity is being provided by a person(s) other than the homebuyer, the proponent needs to obtain assurance that the provision of sweat equity is:

- non-repayable,
- being carried out without conditions that there are no obligation or benefits accruing to the person(s) providing the sweat equity, and
- that the person(s) providing the sweat equity is at arm's length to the purchase transaction.

The proponent is to ensure that a qualified person monitors the work and that it is completed in accordance with all applicable codes.

For grants from the proponent and/or other non-government organizations, the proposal should identify the amount of the grant and the conditions under which it is being provided. The proponent needs to confirm that all the conditions related to receiving the grant have been met and that there are no hidden fees attributable to the borrower. The grant must be available to the borrower to put towards the down payment before the loan is advanced by the lender.

For down payments borrowed from the proponent, the details of the loan and second mortgage should be outlined in the proponent's proposal. The terms of the loan agreement or mortgage must stipulate that there are no payments or accrued interest on the loan, so long as the borrower continues to occupy the unit. If the borrower sells, refinances or rents the unit, the proponent may require that the loan be repaid in full and may be entitled to a portion of any appreciated value of the home upon sale. The second mortgage should also contain provisions for a discharge of the second mortgage should the first mortgage go into default.

For rent-to-own agreements, the details should be outlined in the proponent's proposal. The duration of the agreement must be for a length of time sufficient for the



# FLEXIBILITIES FOR AFFORDABLE HOUSING

borrower to have accumulated the necessary down payment. The purchase price must be determined when the rent-to-own agreement is drawn up. The rent payments must be at least equal to the projected principal, interest, taxes and heating costs of the unit. The rent-to-own payments cannot have been in arrears at any time during the term of the agreement.

The Debt Servicing Ratio Flexibilities are not available if the borrower is not providing any portion of the down payment from their own resources.

## Other Conditions:

All buyers must select a minimum 5-year term mortgage at the 5-year fixed rate, or the 5-year capped variable rate. This is to ensure that they are not exposed to fluctuating interest rates and payments during the first 5 years of homeownership.

In addition, when a buyer is not providing any portion of the down payment from their own resources,

the proponent group is required to provide counselling on financial and other responsibilities of homeownership. This counselling may also be required for other borrowers at CMHC's discretion.

The attached form may be used by proponents in submitting a proposal.

## CMHC Can Help

As Canada's national housing agency, Canada Mortgage and Housing Corporation (CMHC) draws on over 65 years of experience to help Canadians access a variety of quality, environmentally sustainable, and affordable homes – homes that will continue to create vibrant and healthy communities and cities across the country.

## Energy-Efficient Homes

A 10% CMHC mortgage loan insurance premium refund may be available for homebuyers who purchase an energy-efficient home. Homebuyers should ask their lender for qualifying criteria and availability or visit [www.cmhc.ca/greenhome](http://www.cmhc.ca/greenhome).

## Advancing Affordable Housing Solutions

The CMHC Affordable Housing Centre has a team of experts that can help connect you to the tools, resources and people you need to make your vision a reality.

To find out more about what CMHC has to offer and what we can do for you, please visit [www.cmhc.ca/affordablehousing](http://www.cmhc.ca/affordablehousing) or call 1-800-662-2642.

# PROPOSAL FORM

**Information on the proponent (attach additional information if appropriate)**

**Describe here:**

**Information on the housing units**

Number of affordable housing properties being proposed (minimum of 5). Describe the type of housing units.	
Location: provide exact address(es), postal code(s), if known	
Square footage, number of bedrooms, amenities. Provide floor plans, if available	
Costs to develop or acquire	
Projected completion date(s)	
Sale price of the affordable housing units that meet CMHC's affordable housing criteria, and the proportion of the total units in the development they represent	
Average market prices in area (average MLS for the municipality)	
Average market prices in immediate neighbourhood	
Sale prices of other units if in condominium building	



# PROPOSAL FORM (continued)

**Information on the flexibilities requested and how conditions will be met**

<b>Flexibility requested</b>	<b>Description (attach additional information as appropriate)</b>
Down payment from sweat equity	
Grants from non-government agency	
Borrowed funds from proponent – details of second mortgage	
Rent-to-own payments – details on the agreement	
Amortization period	
Gross Debt Service/Total Debt Service ratio.	

**Identify other features or measures that make this proposal unique or contribute to access to affordable housing, e.g., mortgage subsidies, tax concessions, etc.** Provide documentation, i.e., purchase and sale agreements, second mortgage documents, etc., which will assist in assessment of the proposal. Identify other underwriting flexibilities which might be considered to assist potential home buyers in obtaining financing.

**Describe here:**

**Describe the pre- and/or post purchase counselling (who will deliver, topics to be covered, etc.) if required**

**Describe here:**

**Identify the Approved Lender(s) borrowers will be directed to if known**

**Describe here:**

# REFERENCE GUIDE

CMHC Mortgage Loan Insurance for  
Multi-Unit Properties (5+ units)



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## INTRODUCTION

This publication contains the fees, premiums, underwriting norms and documentation required for CMHC Mortgage Loan Insurance for multi-unit residential properties (5+ units) including rental buildings, retirement and long-term care facilities, affordable housing, student housing, condominium construction projects, flexibilities for energy-efficient properties and energy efficiency improvements for condominium corporations. For 1 – 4 unit rental properties, please contact your local CMHC Business Centre.

The information contained in this guide is solely intended to assist Approved Lenders in understanding CMHC's requirements. The reader should be aware that these requirements are discretionary and that, on a case-by-case basis, CMHC may require additional documentation or may impose more restrictive underwriting norms than those listed in this guide. The information contained in this guide is subject to change without notice.

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## GUIDELINES FOR RENTAL BUILDINGS, RETIREMENT AND LONG-TERM CARE FACILITIES

<p><b>Availability</b></p>	<ul style="list-style-type: none"> <li>▪ Subject to CMHC's Mortgage Loan Insurance requirements, CMHC Mortgage Loan Insurance is available to Approved Lenders for loans to construct, purchase, or refinance, with or without improvements, rental buildings, retirement and long-term care facilities in Canada.</li> <li>▪ First and second mortgages are permitted.</li> </ul>		
<p><b>Maximum Loan Amount</b></p>	<ul style="list-style-type: none"> <li>▪ The loan relating to residential property may not exceed 85% of the lending value, as determined by CMHC.</li> <li>▪ The loan relating to any non-residential components of a building may not exceed 75% of the lending value attributed to the non-residential component, as determined by CMHC. Non-residential components may normally not exceed 20% of the gross floor area and loan amount attributable to the non-residential portion may not exceed 20% of total lending value.</li> </ul>		
<p><b>Application Fees</b></p>	<p>Properties with five or more units:</p> <p style="padding-left: 40px;">for the first:</p> <p style="padding-left: 80px;">then:</p> <p style="padding-left: 40px;">to a maximum of:</p> <p style="padding-left: 40px;">Additional fee for CMHC approved advances:</p> <p>Additional fee for non-residential components where the loan amount relating to the non-residential components exceeds \$100,000:</p>	<p><b>Construction Advances</b></p> <p>\$200 per unit or bed</p> <p>100 units or beds</p> <p>\$100 per unit or bed</p> <p>\$55,000 per loan</p> <p>\$350 per advance (beginning with the third advance)</p> <p>0.30% of the non-residential loan amount</p>	<p><b>No Construction Advances</b></p> <p>\$150 per unit or \$100 per bed</p> <p>100 units or beds</p> <p>\$100 per unit or bed</p> <p>\$50,000 per loan</p> <p>N/A (two advances are permissible)</p> <p>0.30% of the non-residential loan amount</p>
<p><b>Payment of Application Fee</b></p>	<ul style="list-style-type: none"> <li>▪ The fee is payable by Approved Lenders at the time of the application.</li> <li>▪ CMHC will retain an amount of the fees relative to the work done (minimum of 10 %) if the application is declined by CMHC or withdrawn by the applicant. CMHC will retain the full fee once a mortgage insurance certificate is issued.</li> <li>▪ The fee may be added to the mortgage loan.</li> </ul>		

Insurance Premiums	<p><b>Loan-to-Value Ratio</b></p> <p>Up to and including 65%</p> <p>Up to and including 70%</p> <p>Up to and including 75%</p> <p>Up to and including 80%</p> <p>Up to and including 85%</p>	<p><b>% of Loan</b></p> <p>1.75</p> <p>2.00</p> <p>2.25</p> <p>3.50</p> <p>4.50</p>
	<p>The following surcharges may apply:</p> <ul style="list-style-type: none"> <li>▪ Construction advances: 0.50%. Two advances are permitted without the surcharge.</li> <li>▪ Amortization extensions: 0.25% for each five-year period beyond 25 years, up to and including 40 years, not to exceed the remaining economic life of the property.</li> <li>▪ Non-residential spaces: 1.0% of the portion of the loan related to these spaces.</li> <li>▪ Retirement and licensed care facilities: 1.0% of the loan amount.</li> <li>▪ Release of rental achievement holdback at rent-up: 0.25%.</li> <li>▪ Second mortgages: 0.50% of first mortgage loan amount only.</li> </ul>	
Premium Credit for Refinance of an Existing CMHC-Insured Loan	<p><b>Years since previous transaction</b></p> <p>Up to and including 1</p> <p>Up to and including 2</p> <p>Up to and including 3</p> <p>Up to and including 4</p> <p>Up to and including 5</p> <p>Up to and including 6</p> <p>Up to and including 7</p>	<p><b>Credit as % of previous applicable premium</b></p> <p>75</p> <p>70</p> <p>60</p> <p>50</p> <p>40</p> <p>30</p> <p>20</p>
	<ul style="list-style-type: none"> <li>▪ Premium payable is the full applicable rental premium on total loan amount minus the credit. <b>Minimum</b> premium payable is equal to the full premium applied to the incremental additional funds.</li> <li>▪ Premium credit is not available on previous surcharges for construction advances, release of rental achievement holdback at rent-up, or second mortgages.</li> <li>▪ As an option, existing CMHC-insured loans are eligible to be refinanced to a maximum 65% LTV and premium is only paid on the new, additional funds. For these “top-up” financing transactions no premium credit is available and the loan must retain its existing amortization.</li> </ul>	
Payment of Premium	<ul style="list-style-type: none"> <li>▪ The premium is due and payable by Approved Lenders to CMHC as mortgage funds are advanced.</li> <li>▪ The premium may be added to the mortgage loan.</li> </ul>	

<b>Debt Coverage and Amortization Period</b>	<ul style="list-style-type: none"> <li>▪ Minimum Debt Coverage Ratio (DCR) based upon agreed amortization period and the contract interest rate (minimum five-year term):</li> </ul>	
	Rental properties with five to six units:	1.10 1.20 (for refinance)
	Rental properties more than six units:	1.30 (term less than 10 years) 1.20 (term 10 years or more)
	Licensed care, retirement facilities:	1.50 (term less than 10 years) 1.40 (term 10 years or more)
	Non-residential space:	1.50 (term less than 10 years) 1.40 (term 10 years or more)
	<ul style="list-style-type: none"> <li>▪ The minimum required DCR may be greater in some markets.</li> <li>▪ Typical initial loan term is five years. CMHC may require a longer initial term.</li> <li>▪ Typical amortization period is 25 years. With CMHC’s concurrence, the maximum may be as long as 40 years with a premium surcharge.</li> <li>▪ Amortization period shorter than 25 years may be imposed to mitigate risk.</li> </ul>	
<b>Interest Rate</b>	<ul style="list-style-type: none"> <li>▪ The interest rate at time of Interest Adjustment Date (IAD) can be either:                             <ol style="list-style-type: none"> <li>a) a fixed interest rate (i.e. equal payment mortgage), compounded semi-annually and not in advance; or</li> <li>b) a floating interest rate, provided a ceiling rate is established and the ceiling rate falls within the range of posted fixed market rates being charged at the time on loans having similar terms within the same geographic area of the project. The ceiling rate will be used in calculating the debt coverage ratio (DCR). Once repayment has commenced under a floating interest rate, borrower buy-downs, extensions to amortization period, and/or increases to principal balance are not permitted.</li> </ol> </li> </ul>	
<b>Borrower Net Worth and Guarantees</b>	<ul style="list-style-type: none"> <li>▪ CMHC requires that the borrower have a net worth equal to at least 25% of the loan amount, with a minimum of \$100,000.</li> <li>▪ When the borrower is a corporate entity, additional personal and/or corporate guarantees are required over and above the loan covenants. The amount of additional guarantee required is 2% of the loan amount for each percentage in LTV ratio above 60%.                             <p style="margin-left: 40px;">For example, at 78% LTV the additional guarantee is 36% of the loan amount, and at 85% LTV the additional guarantee is 50% of the loan amount.</p> </li> <li>▪ For insured loans for the construction of new rental buildings, the additional guarantee during construction will be 100% of the loan amount until stabilized rents are achieved, at which time the guarantee will be reduced to the amount based on the formula described above.</li> </ul>	



	<ul style="list-style-type: none"> <li>▪ Where a borrower is refinancing an existing CMHC-insured loan, the amount of the guarantee is to be set at the greater of the sum of the existing guarantee in effect on the existing loan and the guarantee on the top-up funds according to the policy above; or, the guarantee on the total loan amount(s) using the policy above.</li> <li>▪ CMHC may require additional guarantees or security in certain cases as it deems appropriate.</li> </ul>
<b>Non-Recourse Loans</b>	<ul style="list-style-type: none"> <li>▪ Loan cannot exceed 60% of lending value, as determined by CMHC.</li> <li>▪ Exclusions from non-recourse include environmental liability and fraud.</li> </ul>
<b>Construction Advancing</b>	<ul style="list-style-type: none"> <li>▪ Where insured construction advances are requested, the loan amount to be advanced during construction will be based on the lesser of cost or lending value (subject to rental achievement holdback if applicable).</li> <li>▪ CMHC will recognize the market value of land in the cost calculation.</li> <li>▪ CMHC will normally require that a general contractor be engaged under a fixed-price contract with bonding equal to 50% on labour and materials and 50% on performance. CMHC may allow for some flexibility in this requirement for projects with fewer than 24 units.</li> <li>▪ Construction costs must be reviewed and recommended by a third-party cost monitor (normally a Quantity Cost Surveyor) reporting to the Approved Lender, who must carry sufficient liability insurance.</li> <li>▪ Interim financing must be verified.</li> <li>▪ First and last advances must be approved by CMHC. The Approved Lender has the option to approve advances occurring between the first and last.</li> </ul>
<b>Rental Achievement</b>	<ul style="list-style-type: none"> <li>▪ For new construction, the loan may be advanced up to the lesser of 75% of costs or lending value (70% for licensed care and retirement facilities). The remainder of the loan will not be advanced until the project has achieved stabilized rents, defined as income sustained at the projected rent level through at least one full operating year.</li> <li>▪ Stabilization period may be waived for a surcharge of 0.25% (release of rental achievement holdback at rent-up).</li> <li>▪ Insurance applications for mortgage loans on existing structures with substantial capital improvements may be advanced to the greater of 85% of “as is” value (assuming rental income is not disturbed), or 75% of “as improved” value using projected rental income and a rental achievement holdback, if: <ul style="list-style-type: none"> <li>a) the building is being fully or substantially vacated such that operating income is disrupted; or</li> <li>b) there is clear evidence that the improvements will directly lead to sustained, permanent increases in rents.</li> </ul> </li> </ul>

<b>Loan Security Options for the Refinancing of a Property</b>	<ul style="list-style-type: none"> <li>▪ One new insured first mortgage may be registered to replace existing mortgage debt.</li> <li>▪ An existing first mortgage amended to include a <i>pari passu</i> clause plus an additional mortgage charge with <i>pari passu</i> security ranking (i.e. equal ranking mortgage) may be registered. If <i>pari passu</i>, both mortgages must be administered by the same Approved Lender at all times.</li> <li>▪ An existing first mortgage plus the registration of a second mortgage charge. A second mortgage is permitted as an interim measure until term renewal of the first mortgage. At term renewal, the first and second mortgages must either be combined into one new first mortgage, or both mortgages must be given <i>pari passu</i> security ranking. Expected prepayment penalties on the first mortgage may not exceed 20% of the lending value. Second mortgages must contain a cross-default clause stipulating that a default under the first mortgage causes a default under the second.</li> </ul>
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## GUIDELINES FOR AFFORDABLE HOUSING FLEXIBILITIES

The product features outlined below are added flexibilities to CMHC’s standard requirements for multi-unit mortgage loan insurance unless otherwise noted.

<b>General Conditions</b>	<ul style="list-style-type: none"> <li>▪ Enhanced underwriting flexibilities are available for new additions to the affordable multi-unit housing stock. This includes new construction, conversion from non-residential to residential and replacement of affordable units, for example, as a result of demolition.</li> <li>▪ Units must be modest in size, design, and amenities in relation to other rental units in the market.</li> <li>▪ Minimum project size of five units.</li> <li>▪ The degree of underwriting flexibilities is dependent on the level of affordability of the rental units. See Affordability Criteria section below.</li> <li>▪ Majority of the units in the project must meet affordability criteria.</li> </ul>
<b>Affordability Criteria</b>	<p>Three levels of affordability have been identified. The criteria for each are as follows:</p> <p><b>Level I</b></p> <ul style="list-style-type: none"> <li>▪ Self-contained apartments: majority of rents in the project are below the 80th percentile*.</li> <li>▪ Retirement facilities (facilities providing shelter and support services): majority of rents in the project are below the 80th percentile* for the same project type and service level in the market.</li> <li>▪ Licensed care and special purpose facilities: majority of the beds are receiving per diem subsidies aimed at reducing shelter costs and term of subsidy is less than the amortization of the mortgage.</li> <li>▪ Single room occupancy: majority of the units in the project rent for less than 60% of the median rent for one-bedroom units in the market.</li> </ul>

	<p><b>Level 2</b></p> <ul style="list-style-type: none"> <li>▪ Self-contained apartments: majority of rents in the project are below the 65th percentile*.</li> <li>▪ Retirement facilities (facilities providing shelter and support services): majority of rents in the project are below the 65th percentile* for the same project type and service level in the market.</li> <li>▪ Licensed care and special purpose facilities: majority of the beds are receiving per diem subsidies aimed at reducing shelter costs and term of subsidy is equal to the amortization of the mortgage.</li> <li>▪ Single room occupancy is not eligible under Level 2.</li> </ul> <p><b>Level 3</b></p> <ul style="list-style-type: none"> <li>▪ Projects receiving funding under the federal-provincial/territorial Affordable Housing Initiative (AHI) agreements.</li> <li>▪ Other projects will be considered that have a similar risk profile to AHI funded projects provided the rents are at levels targeted to meet the needs of households on or eligible to be on a social housing waiting list (generally at or below the 50th percentile* of rents for similar units in the same market).</li> </ul> <p>* A given rent percentile is the point in the distribution (smallest to largest) of surveyed rents below which that per cent of rents would fall. For example, if the 80th percentile rent is \$700, then 80% of all surveyed units would have rents that fall below \$700. CMHC publishes the rent levels semi-annually. Note that project rents must also be deemed to be below the market rent of comparable properties in the neighbourhood.</p>
<p><b>Borrower Eligibility Criteria</b></p>	<p>Borrowers can be private, public, or non-profit entities. The following eligibility criteria applies to Affordability Levels 1, 2, and 3.</p> <ul style="list-style-type: none"> <li>▪ <b>Property Management Experience</b> – Borrowers must have at least five years experience operating a housing project of similar type and size.</li> <li>▪ <b>Credit and Repayment History</b> – Borrowers must have at least break even cash flow over the past five years (financial statements required as evidence) and an excellent credit and repayment history.</li> <li>▪ <b>Construction Management Ability</b> – Borrowers must demonstrate that they have successfully completed a similar project on time and within budget. Otherwise, borrowers must enter into a fixed price contract with a general contractor who has experience building projects of similar size, cost, building form and construction type in the same market area. Borrowers must have a demonstrated ability to withstand unexpected increases in construction cost.</li> </ul> <p>For newly formed groups the following substitutes will be considered:</p> <ul style="list-style-type: none"> <li>▪ <b>Property Management Experience</b> – Borrowers may enter into a long term contract (minimum five years) for the management and operation of the project with a company that has at least five years experience operating a housing project of similar type and size. This could include a parent/affiliated company or a professional property management firm.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ <b>Credit and Repayment History</b> – Borrowers must provide either collateral security or the guarantee of an entity which meets the borrower eligibility criteria (the collateral or guarantee is required until the borrowing entity accumulates five years of excellent credit and repayment history). Alternatively the debt coverage ratio requirement based on actual rents will be increased by an increment of 0.10.</li> <li>▪ <b>Construction Management Ability</b> – Where a construction management approach is used, the construction management must be contracted to a parent/affiliated company that meets the construction management eligibility criteria and a formal arrangement must be in place with the parent company related to the project’s development.</li> </ul>			
<b>Borrower Net Worth and Guarantees</b>	<ul style="list-style-type: none"> <li>▪ CMHC typically permits flexibility in net worth and guarantee norms for affordable housing projects.</li> </ul>			
<b>Maximum Loan Amount</b>	<ul style="list-style-type: none"> <li>▪ <b>Level 1</b> – The loan relating to the residential property may not exceed 95% of the lending value, as determined by CMHC.</li> <li>▪ <b>Level 2</b> – The loan relating to the residential property may not exceed 95% of the lending value, as determined by CMHC. (Maximum of 95% of agreed costs on a case-by-case basis).</li> <li>▪ <b>Level 3</b> – The loan relating to the residential property may not exceed 95% of agreed costs.</li> </ul>			
<b>Premiums for Affordable Housing</b>	<b>Affordability Levels 1 and 2</b>		<b>Affordability Level 3</b>	
	<b>Loan-to-Value Ratio</b>	<b>% of Loan</b>	<b>Loan-to-Cost Ratio</b>	<b>% of Loan</b>
	Up to and including 65%	1.20	Up to and including 65%	For Level 3 projects a full premium waiver applies, including standard premium surcharges.
	Up to and including 70%	1.40	Up to and including 70%	
Up to and including 75%	1.50	Up to and including 75%		
Up to and including 80%	2.40	Up to and including 80%		
Up to and including 85%	3.10	Up to and including 85%		
Up to and including 90%*	3.40	Up to and including 90%		
Up to and including 95%*	3.80	Up to and including 95%		
* CMHC insurance at these LTVs is offered until the end of 2013.				
<ul style="list-style-type: none"> <li>▪ For Affordability Levels 1 and 2, standard premium surcharges apply as required.</li> <li>▪ For special purpose facilities meeting Affordability Levels 1 or 2, the retirement and licensed care facilities surcharge of 1.0% applies.</li> </ul>				
<b>Debt Coverage Ratio</b>	<p><b>Level 1</b> – 10-year term</p> <ul style="list-style-type: none"> <li>▪ Minimum DCR of 1.20 using market rents (1.40 for licensed care, retirement and special purpose facilities). Calculated before fees and premiums are added to the loan and excluding reserve requirements; and</li> <li>▪ Minimum DCR of 1.10 using actual rents inclusive of fees, premiums and reserves.</li> </ul> <p><b>Level 2 and 3</b> – 10-year term</p> <ul style="list-style-type: none"> <li>▪ Minimum DCR of 1.00 using actual rents inclusive of fees, premiums (when applicable) and reserves.</li> </ul> <p>Where the term is less than 10 years an additional DCR requirement of 0.10 is required.</p>			

	<p><b>Reserve Requirements</b></p> <p>Reserves are required to mitigate the risk from cash flow fluctuations. Flexibility in reserve requirements may be considered where the risk of fluctuations is mitigated by an alternative, e.g. rent subsidy commitments, collateral security, or guarantees from partners.</p>
<b>Rental Achievement Holdback</b>	<p><b>Level 1</b> – Release of rental achievement holdback at rent-up with no surcharge; or waiving of rental achievement holdback for 0.25% surcharge.</p> <p><b>Level 2 and 3</b> – Waiving of rental achievement holdback with no surcharge.</p>
<b>Equity Injection</b>	<p><b>Level 3</b> – Staged Grants: Once funds under the federal-provincial/territorial affordable housing initiatives agreements are unconditionally committed to a project, lenders may commence insured loan advances. These funds no longer need to be injected up front. All other equity from the sponsor continues to be required prior to any advancing.</p>
<b>Premium Discount Transfer</b>	<ul style="list-style-type: none"> <li>▪ In exchange for a cash donation a non-profit group, without charitable status, may elect to transfer the premium discount, to which they would normally be entitled, to a donor. The donor can use the premium discount on a future application for mortgage insurance in the name of the donor. The amount of the transferable premium discount is the lesser of 60% of the donation or the dollar amount of the premium discount to which the non-profit group is entitled. The premium discount will be provided to the Approved Lender but can be transferred by the donor to any Approved Lender.</li> </ul>

## GUIDELINES FOR CMHC-INSURED CONDOMINIUM CONSTRUCTION MORTGAGES

<b>Availability</b>	<ul style="list-style-type: none"> <li>▪ First mortgages for the construction of new condominium buildings in Canada.</li> </ul>												
<b>Maximum Insurable Mortgage Loan Amount</b>	<ul style="list-style-type: none"> <li>▪ The maximum insurable mortgage loan amount is the lesser of 75% of estimated market value or 85% of the estimated total cost to complete.</li> <li>▪ The total approved dollar amount of both insured and uninsured approved construction financing to the borrower, is reviewed and used to determine the maximum insurable mortgage loan amount for the current application. The financial condition and experience of the borrower will also be considered as well as market conditions.</li> </ul>												
<b>Non-Residential Components</b>	<ul style="list-style-type: none"> <li>▪ Non-residential components may not normally exceed 20% of the gross floor area. In addition, the mortgage amount attributable to the non-residential portion may not normally exceed 20% of total lending value.</li> </ul>												
<b>Maximum Mortgage Loan-to-Cost based on Presales</b>	<table border="1"> <thead> <tr> <th><b>Presales as Percent of Estimated Market Value at Completion</b></th> <th><b>Maximum Loan-to-Cost</b></th> </tr> </thead> <tbody> <tr> <td>65% and over</td> <td>85%</td> </tr> <tr> <td>At least 60%</td> <td>80%</td> </tr> <tr> <td>At least 50%</td> <td>70%</td> </tr> <tr> <td>At least 40%</td> <td>60%</td> </tr> <tr> <td>At least 30%</td> <td>50%</td> </tr> </tbody> </table>	<b>Presales as Percent of Estimated Market Value at Completion</b>	<b>Maximum Loan-to-Cost</b>	65% and over	85%	At least 60%	80%	At least 50%	70%	At least 40%	60%	At least 30%	50%
<b>Presales as Percent of Estimated Market Value at Completion</b>	<b>Maximum Loan-to-Cost</b>												
65% and over	85%												
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At least 40%	60%												
At least 30%	50%												

	<ul style="list-style-type: none"> <li>▪ Higher presale levels or a reduced mortgage loan to cost may be required based on CMHC's overall assessment of the application.</li> <li>▪ CMHC will approve a maximum insured mortgage loan amount based on a target level of presales to be achieved. Advances are limited based on the level of presales at the time of the advance. If additional presale levels are achieved during construction, the minimum equity may decline accordingly. If the minimum equity contribution has been exceeded at the time of a mortgage advance, the amount of equity contributed over and above the minimum required (based on the above presales table) can be returned to the borrower. This return of equity contribution does not apply to any equity attributed to land value that exceeds actual cost of the land.</li> <li>▪ Once the maximum insurable mortgage is determined based on presales as a percentage of estimated market value, the insured mortgage loan amount is reduced by the amount of any purchaser deposits to be used during construction.</li> <li>▪ The principal amount owing on any mezzanine mortgage loans can be repaid through the proceeds of an insured mortgage loan advance. If not repaid, any mezzanine financing must be subordinated to the CMHC-insured mortgage loan. Interest owing cannot be repaid from the insured advance and if not repaid from other sources, it must be subordinated to the CMHC-insured mortgage loan.</li> </ul>
<p><b>Recognition of Presales</b></p>	<ul style="list-style-type: none"> <li>▪ Recognized presales must be based on arm's length, bona-fide, legally binding sales contracts with all preconditions waived or met.</li> <li>▪ Owner-Occupied Units: Presales must include a fully paid non-refundable cash deposit of at least 10% unless the purchaser has a 95% insured mortgage commitment. In the latter case, a fully paid non-refundable cash deposit of at least 5% is required.</li> <li>▪ Investor Units: Presales on all units not to be occupied by the purchaser must include a fully paid non-refundable cash deposit of at least 20%. If a party buys more than one (1) unit, all of the units bought by that party are considered investor units, irrespective of occupancy and require a fully paid non-refundable cash deposit of at least 20%.</li> <li>▪ The Approved Lender is required to obtain an undertaking from the borrower that any bulk sales (more than 2 unit sales to the same borrower) will be reported to the Approved Lender and the Approved Lender will advise CMHC. Bulk sales are not recognized as part of the presale requirements.</li> </ul>
<p><b>Use of Purchaser Deposits</b></p>	<ul style="list-style-type: none"> <li>▪ Once the maximum insurable mortgage loan amount is determined, it is reduced by the amount of any purchaser deposits to be used during construction.</li> </ul>
<p><b>Source of Equity</b></p>	<ul style="list-style-type: none"> <li>▪ Required equity can be in the form of cash, subordinated debt or land at value. If land at value is used, CMHC requires and will review an externally prepared appraisal report obtained by the Approved Lender to confirm the value for mortgage loan insurance purposes. CMHC reserves the right to arrange for its own independent appraisal report and to use the report to determine what value CMHC will recognize.</li> </ul>
<p><b>Exit Strategy</b></p>	<ul style="list-style-type: none"> <li>▪ Net proceeds of the sale of all units must be sufficient to payout the construction mortgage with a profit margin that meets industry standards.</li> </ul>
<p><b>Mortgage Loan Repayment</b></p>	<ul style="list-style-type: none"> <li>▪ The project's pro forma statements must provide for no more than a 4 year period from the start of construction to full repayment of the CMHC-insured mortgage loan.</li> </ul>

<b>Borrower Net Worth</b>	<ul style="list-style-type: none"> <li>▪ The borrower and/or guarantor(s) must have a net worth of the greater of \$100,000 or at least 25% of the total of the subject mortgage as well as all other CMHC-insured construction mortgage loan amounts currently approved for the borrower.</li> <li>▪ As part of the net worth requirement, the borrower and/or guarantor(s) <b>is required</b> to have at least 10% of the project's costs in liquid assets outside of the project (e.g. cash, assets that can be quickly converted to cash or assets that can be pledged to secure additional financing).</li> </ul>
<b>Guarantees</b>	<ul style="list-style-type: none"> <li>▪ When the borrower is a trust, additional joint and several guarantees equal to 100% of the mortgage loan amount are required from individuals or corporations with total net worth equal to at least 25% of the total CMHC-insured construction mortgage loan amounts currently approved for the borrower. As part of the net worth requirement, the individuals or corporations guaranteeing the loan <b>are required</b> to have at least 10% of the project's costs in liquid assets outside of the project.</li> <li>▪ When the borrower is a corporation/partnership, additional joint and several personal and/or corporate guarantees of up to 100% of the mortgage loan amount may be required depending on CMHC's assessment of the application. Guarantors are required to have a total net worth equal to at least 25% of the total CMHC-insured construction loan amounts currently approved for the borrower. As part of the net worth requirement, the individuals or corporations guaranteeing the loan are required to have at least 10% of the project's costs in liquid assets outside of the project.</li> <li>▪ Where 100% guarantees have been obtained from individuals or corporations with the above required net worth, CMHC may at its discretion limit or not require additional guarantees from individuals or corporations with smaller ownership interests.</li> </ul>
<b>Project Monitor</b>	<ul style="list-style-type: none"> <li>▪ The role is to be performed by a Quantity Cost Surveyor, who is a member of a national or regional Professional Quantity Surveyor association. If there is no regional association, consideration can be given to accepting an experienced Project Monitor, recommended by the Approved Lender, with at least 5 years of experience with condominium construction projects of similar size and construction nature.</li> <li>▪ The Project Monitor must have adequate errors and omissions and other liability insurance.</li> </ul>
<b>Construction Contract</b>	<ul style="list-style-type: none"> <li>▪ A fixed price contract is preferred.</li> <li>▪ A construction management approach may be authorized. If construction management is authorized, at least 2/3 of hard construction costs including major contracts (structural, mechanical, electrical, forms and concrete) must typically be signed prior to the first insured advance.</li> </ul>
<b>Bonding Requirements</b>	<ul style="list-style-type: none"> <li>▪ 50% on labour and material and 50% on performance of all major contracts (structural, mechanical, electrical, forms and concrete) is required.</li> <li>▪ Consideration may be given to waiving this requirement if the builder is established and financially sound, the project is within average size and price for the location, and it is a common architecture. In addition, the lender must receive a concurrence from the Project Monitor to waive the bonding requirement, ensure the subcontractor has adequate experience with contracts of a similar size and nature and must perform a satisfactory credit check on the subcontractor.</li> <li>▪ An alternative to bonding in the form of an irrevocable and unconditional letter of credit equal to 10% of the project's hard costs may also be considered.</li> </ul>



<p><b>Mortgage Loan Advances</b></p>	<ul style="list-style-type: none"> <li>▪ Prior to the first insured advance appropriate building permits as required by the municipality and development/municipal agreement(s) must be in place; the required stipulated presale level must be achieved; the Project Monitor’s initial report on cost and bonding must be received; all required equity must be contributed to the project; and work must have begun on the project.</li> <li>▪ All advances must be supported by Project Monitor reports and based on the cost to complete method (up to the approved mortgage loan maximum).</li> <li>▪ Equity withdrawal related to increased land value over the purchase price is not permitted.</li> </ul>	
<p><b>Interest Rate</b></p>	<ul style="list-style-type: none"> <li>▪ The interest rate can be fixed or floating provided that it does not at any time exceed the market rate of interest i.e. a rate which falls outside of the narrow range of rates being charged at the time by financial institutions within the same geographic area.</li> </ul>	
<p><b>Application and Advancing Fees</b></p>	<p style="text-align: center;">For the first 100 units:</p> <p style="text-align: center;">Then:</p> <p style="text-align: center;">To a maximum of:</p> <p style="text-align: center;">Additional fee for CMHC approved advances:</p> <p style="text-align: center;">Additional fee for non-residential components where the mortgage loan amount relating to the non-residential components exceeds \$100,000:</p>	<p style="text-align: center;">\$200 per unit</p> <p style="text-align: center;">\$100 per unit</p> <p style="text-align: center;">\$55,000</p> <p style="text-align: center;">\$350 per advance (beginning with the third advance)</p> <p style="text-align: center;">0.30% of the non-residential loan amount</p>
<p><b>Payment of Application Fee</b></p>	<ul style="list-style-type: none"> <li>▪ The fee is payable by the Approved Lender at the time of application.</li> <li>▪ If the application is declined by CMHC or withdrawn by the applicant, CMHC will retain an amount of the fee relative to the work done (minimum of 10%), taking into account the costs incurred and work and time spent in assessing the application. CMHC will retain the full fee once a mortgage loan insurance certificate is issued. If a change to the application is requested following the issuance of a mortgage loan insurance certificate, new underwriting fees may apply.</li> <li>▪ The fee may be added to the mortgage. If added to the mortgage, the application fee cannot be included in the estimated total cost to complete used to determine the maximum insurable loan amount.</li> </ul>	
<p><b>Insurance Premiums</b></p>	<p style="text-align: center;"><b>Maximum Approved Insured Mortgage Loan-to-Value Ratio</b></p> <p style="text-align: center;">Up to and including 65%</p> <p style="text-align: center;">Up to and including 70%</p> <p style="text-align: center;">Up to and including 75%</p>	<p style="text-align: center;"><b>% of Mortgage</b></p> <p style="text-align: center;">1.20%</p> <p style="text-align: center;">1.30%</p> <p style="text-align: center;">1.50%</p> <ul style="list-style-type: none"> <li>▪ Surcharge of 1% of the portion of the mortgage related to eligible non-residential space.</li> </ul>

<b>Payment of Premium</b>	<ul style="list-style-type: none"> <li>■ The premium is due and payable by the Approved Lender to CMHC as mortgage funds are advanced.</li> <li>■ The premium may be added to the mortgage. If added to the mortgage, the premium cannot be included in the estimated total cost to complete used to determine the maximum insurable loan amount.</li> </ul>
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## GUIDELINES FOR MULTI-UNIT STUDENT HOUSING PROJECTS

The conditions outlined below are specific to multi-unit student housing properties.

<b>Insurance Premium</b>	<p>The premium schedule is the same as the one applicable to rental buildings.</p> <p>A premium surcharge of 1 % is applicable on the loan amount except when the publicly funded university/college is the borrower or when it provides a full guarantee (over and above the loan covenants and personal or corporate guarantees) for the full duration of the loan.</p>
<b>General Guidelines for Eligible Housing Forms</b>	<ul style="list-style-type: none"> <li>■ Purpose built student housing projects</li> <li>■ Atypical unit (not self-contained or 4+ bedrooms) eligible only if located on campus</li> <li>■ Furnished suites will only be considered if located on-campus and a replacement reserve will be required</li> <li>■ Project must be located on campus or within walking distance from campus</li> </ul>
<b>Amortization</b>	<p>Up to 25 years. A longer amortization will be considered if the educational institution is the direct borrower or if it provides 100% guarantee for the full duration of the loan.</p>
<b>Minimum Debt Coverage Ratio (DCR)</b>	<ul style="list-style-type: none"> <li>■ 1.30 for loan terms 10 years or greater</li> <li>■ 1.40 for loan terms less than 10 years</li> </ul>
<b>Borrower Net Worth and Guarantees</b>	<p>Borrower net worth and guarantee requirements are the same as the ones applicable for rental buildings.</p> <p>In addition, a guarantee from the educational institution may be provided over and above the loan covenants. Then additional flexibilities could be considered on some underwriting criteria such as an amortization period greater than 25 years (subject to applicable surcharge) and restriction on land use.</p>

<p><b>General Guidelines for Borrower Eligibility</b></p>	<ul style="list-style-type: none"> <li>■ Property Management Experience - Borrower must have a minimum of 5 years experience in operating similar types of projects. If the borrower does not have the 5 years experience, the borrower may enter into a long-term contract (minimum 5 years) with a third party property management firm who meets CMHC criteria.</li> <li>■ Borrower Net Worth – In addition to standard requirements on borrower net worth for construction loan(s), the borrower must have the financial capacity to sustain one full year of debt at 100% vacancy if project is not ready at beginning of school year.</li> </ul>
<p><b>Cash Flow</b></p>	<ul style="list-style-type: none"> <li>■ Revenues are assessed using rent per bedroom.</li> <li>■ It is the lender’s responsibility to ensure the cash flow is adequately secured through, for example, pre-paid leases, parental guarantee or leases signed on a joint and several basis by all students within a unit.</li> </ul>
<p><b>Additional Document Requirements</b></p>	<ul style="list-style-type: none"> <li>■ A market demand study will be required to support the long term financing of any new construction of student housing projects.</li> </ul>

## GUIDELINES FOR ENERGY-EFFICIENT PROPERTIES

The following energy efficiency incentives are being offered on a two year pilot basis and are applicable to requests for premium reductions/refunds received on or after January 20, 2012.

<p><b>Availability</b></p>	<ul style="list-style-type: none"> <li>■ Available with CMHC multi-unit insured financing for new construction, refinance or purchase where energy efficiency improvements are being undertaken (excludes CMHC-insured loans to existing condominium/strata corporations for energy-efficiency improvements to common elements/property).</li> <li>■ To qualify for the CMHC energy efficiency incentives described below, borrowers must submit the required documentation to the Approved Lender within one year after the loan has been finalized.</li> <li>■ CMHC will recognize previous energy efficiency retrofit improvements when they have been completed within a 12 month period prior to the current mortgage loan advance. Borrowers are required to demonstrate a reduction in energy consumption and must provide evidence that the improvements have been made within the last year through capital investment reports.</li> </ul>
<p><b>Underwriting Flexibilities</b></p>	<ul style="list-style-type: none"> <li>■ The estimated reduction in energy consumption is used in calculating the net operating income to determine the lending value of rental properties. This includes the estimated reduction in the consumption of heat, hydro and water.</li> </ul>

<b>Premium Reduction/Refund</b>	<ul style="list-style-type: none"> <li>■ <b>New Construction</b> - A 10% premium reduction/refund to the total premium due or paid including any surcharges.</li> <li>■ <b>Retrofit</b> - A premium reduction/refund equal to the overall percentage reduction in energy consumption, to a maximum of 15%. In addition to savings being measured by way of anticipated reductions in energy consumption for heat and hydro, CMHC also recognizes estimated reductions in energy consumption for water.</li> </ul>
<b>Premium Reduction/Refund Process</b>	<ul style="list-style-type: none"> <li>■ Based on when reductions in energy consumption are demonstrated, borrowers have the option of either receiving an upfront premium reduction or a premium refund as follows: <ul style="list-style-type: none"> <li>■ <b>Premium Reduction Process:</b> Where verification of reduction in energy consumption is received prior to a final advance, the CMHC energy efficiency incentives will be provided through a reduction in the premium amount on each subsequent advance. The adjustment will also be applied to any premium previously paid (as applicable). This will occur upon receipt of applicable documentation to demonstrate a reduction in energy consumption and an Approved Lender request to receive an energy-efficient premium reduction.</li> <li>■ <b>Premium Refund Process:</b> Where verification of a reduction in energy consumption is received subsequent to a final advance, the CMHC energy efficiency incentives will be provided through a premium refund. Although the Approved Lender is responsible for payment of the insurance premium, the premium refund will be paid by CMHC directly to the borrower. This will occur upon receipt of applicable documentation to demonstrate a reduction in energy consumption and a letter from the borrower requesting an energy-efficiency premium refund. The Approved Lender is responsible for submitting all the required documentation to CMHC.</li> </ul> <p>Note: A premium refund is not available when a premium reduction has been applied.</p> </li> </ul>
<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>■ <b>New Construction:</b> The building is required to be the higher of 5% more energy efficient than if constructed to meet provincial/territorial requirements (where they exist) <b>or</b> 20% more energy efficient than if constructed to meet the Model National Energy Building Code for Buildings (MNECB).</li> <li>■ <b>Retrofit:</b> There is no minimum threshold for the anticipated reduction in energy consumption. Buildings must have an anticipated reduction in overall building energy consumption. Borrowers are required to demonstrate proof of their capital investment in the energy efficiency improvements.</li> </ul>
<b>Additional Document Requirements</b>	<ul style="list-style-type: none"> <li>■ Borrowers are required to provide and demonstrate an estimate of the anticipated or actual reduction in energy consumption. This can be shown through a variety of documents, but not limited to: <ul style="list-style-type: none"> <li>■ Design proposals or energy retrofit plans and post commissioning reports or post retrofit reports prepared by qualified energy management professionals (in-house reports must be validated by a qualified external third party);</li> <li>■ Reports from other government agencies and energy companies that provide grants;</li> <li>■ Two years of energy bills and water bills (to demonstrate a reduction in annual energy consumption).</li> </ul> </li> </ul>

## GUIDELINES FOR CONDOMINIUM ENERGY-EFFICIENT IMPROVEMENTS

The following insurance product has been introduced on a two year pilot basis effective January 20, 2012.

<b>Availability</b>	<ul style="list-style-type: none"> <li>CMHC Loan Insurance is available on loans to existing condominium/strata corporations, for energy efficiency improvements to common elements/property.</li> </ul>
<b>Maximum Insurable Loan Amount</b>	<ul style="list-style-type: none"> <li>The maximum loan available will be based upon the lesser of 5% of the estimated lending value of all residential units, as determined by CMHC, or 100% of the cost of energy efficiency improvements.</li> </ul>
<b>Application and Advancing Fees</b>	<ul style="list-style-type: none"> <li>The application fee is 0.30% of the insured loan amount.</li> <li>There will be a \$350 fee for CMHC approved advances commencing with the third advance.</li> </ul>
<b>Payment of Application Fee</b>	<ul style="list-style-type: none"> <li>The fee is payable by the Approved Lender at the time of application.</li> <li>If the application is declined by CMHC or withdrawn by the Approved Lender, CMHC will retain an amount of the fee relative to the work done, taking into account the costs incurred and work and time spent by CMHC in assessing the application. CMHC will retain a minimum of 10% of the application fee, regardless of the work incurred.</li> <li>CMHC will retain the full fee once a loan insurance certificate is issued. Following the issuance of a loan insurance certificate, if changes to the application are requested which require a re-assessment of the CMHC decision to insure, new underwriting fees will apply based on the additional work required.</li> <li>The fee may be added to the loan. If added to the loan, the application fee cannot be included in the estimated total cost to complete the energy efficiency improvements used to determine the maximum insurable loan amount.</li> </ul>
<b>Insurance Premium</b>	<ul style="list-style-type: none"> <li>1.35% of the insured loan amount.</li> </ul>
<b>Payment of Premium</b>	<ul style="list-style-type: none"> <li>The premium is due and payable by the Approved Lender to CMHC as loan funds are advanced.</li> <li>The premium may be added to the loan. If added to the loan, the premium cannot be included in the estimated total cost to complete the energy efficiency improvements used to determine the maximum insurable loan amount.</li> </ul>
<b>Debt Coverage Ratio</b>	<ul style="list-style-type: none"> <li>The condominium/strata corporation must have a Debt Coverage Ratio of at least 1.10 (with the inclusion of the related loan payment in expenses).</li> <li>Approved Lenders are required to state the proposed condominium/strata fees (including the increase associated with the subject loan) and provide CMHC with condominium/strata fees for comparable structures in the immediate area and to ensure fees for the subject property will remain competitive in that market.</li> </ul>

<b>Amortization Period</b>	<ul style="list-style-type: none"> <li>■ The maximum amortization period of the loan is 10 years.</li> </ul>
<b>Interest Rate</b>	<ul style="list-style-type: none"> <li>■ The interest rate at the time of the Interest Adjustment Date can be either:             <ol style="list-style-type: none"> <li>a) a fixed interest rate (i.e. equal payment loan), compounded semi-annually and not in advance; or</li> <li>b) a floating interest rate, provided a ceiling rate is established and the ceiling rate falls within the range of posted fixed market rates being charged at the time on loans having similar terms within the same geographic area of the project. The ceiling rate will be used in calculating the Debt Coverage Ratio.</li> </ol> </li> <li>■ In the event of default, any loan insurance claim will be calculated at the interest rate in effect at the time of default.</li> </ul>
<b>Loan Advancing</b>	<ul style="list-style-type: none"> <li>■ Loan advances will be authorized on a cost in place basis and on a cost to complete basis. Namely, no advance will be made if the advance, together with all prior advances plus all applicable lien holdbacks, will exceed the value of work in place, provided further that any material on site which has not yet been used for the energy efficiency improvements being financed is not to be considered in this calculation. The Approved Lender is responsible to ensure that sufficient funds remain to be dispersed to complete the energy efficiency improvements, (exclusive of lien holdbacks), in accordance with the plans and specifications approved by the Approved Lender.</li> <li>■ The condominium/strata corporation is required to provide the Approved Lender with invoices showing the cost of work in place.</li> <li>■ CMHC will approve the first and last advances for insurance purposes. Based on CMHC's assessment of the application, the Approved Lender will have the option to approve advances occurring between the first and last.</li> </ul>
<b>Construction Contract and Bonding Requirements</b>	<ul style="list-style-type: none"> <li>■ A general contractor is normally to be engaged under a fixed price contract to cover the cost of all energy efficiency improvements/replacements, with bonding equal to 50% on labour and materials and 50% on performance.</li> </ul>
<b>Loan Security</b>	<ul style="list-style-type: none"> <li>■ Security must be taken on the lien rights against the individual units of the condominium/strata unit holders, and common assets held by the condominium/strata corporation, as well as any real estate owned by the condominium/strata corporation.</li> </ul>
<b>Borrower Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>■ <b>Minimum Number of Units</b> - The condominium/strata corporation must consist of a minimum of 50 residential units within the subject property.</li> <li>■ <b>Bylaws</b> - The condominium/strata corporation's bylaws must state it is authorized to borrow the funds in question for the purpose of energy efficiency improvements to common elements/property. The number of votes required to agree to the borrowing vary by province. It is the Approved Lender's responsibility to ensure the validity of the by-law including for example, that the corporation has been authorized to borrow funds. The Approved Lender is also responsible to ensure the required number of unit owners have agreed to the borrowing for the specific purpose of energy efficiency improvements to the common elements/property, and to a special assessment for the loan repayment.</li> </ul>

<p><b>Condominium/ Strata Fee Arrears</b></p>	<ul style="list-style-type: none"> <li>■ The Approved Lender will be required to have an agreement from the condominium/strata corporation that the corporation will advise the lender when an individual unit owner is three (3) or more months in arrears in their condominium/strata fees.</li> </ul>
<p><b>Reserve Fund Study</b></p>	<ul style="list-style-type: none"> <li>■ The Approved Lender is required to obtain from the condominium/strata corporation the most recent detailed reserve fund study (which must include a physical inspection of the property), prepared by an arm's length qualified professional in good standing. The study must have been performed in accordance with the timing required under provincial legislation, but at least within the last 6 years. The study must report on the current physical condition, the estimated remaining useful life as well as the cost to repair or replace the common elements. An estimate of the contributions from owners to fund repairs and replacements must also be included. If reserves are low, a plan must be in place to ensure sufficient funds will be available as required.</li> <li>■ The reserve fund study must include an examination of the building envelope, including identification of the causes of any water penetration and the work required to rectify the situation. This product is not intended to finance the resolution of severe water penetration issues related to the building envelope.</li> </ul>
<p><b>Environmental Site Assessment</b></p>	<p><b>Environmental Site Assessment (ESA)</b> - A Phase I ESA will be required if the Approved Lender or CMHC is aware of potential environmental hazards, or of factors which may indicate potential environmental problems, for example the structure has been built on an old landfill site, adjacent to a service station, a former industrial site, or other factors that are often associated with soil and ground water contamination.</p> <ul style="list-style-type: none"> <li>■ Phase I ESA's must be carried out in accordance with the applicable CSA standard as described in the CSA Document "Z768, Phase I Environmental Site Assessment". If the report concludes that there is no evidence of contamination in connection with the property, the Approved Lender is to provide a recommendation to CMHC that the property appears to comply with CMHC's environmental policy. Where additional investigation(s) are required beyond a Phase I ESA, CMHC will consider a loan application submitted for insurance provided the additional ESA report concludes that there is no evidence of soil or water contamination in connection with the property. If contamination remains, CMHC will consider providing loan insurance where a formal risk management agreement between the municipal and provincial/territorial environment authority is in place, to ensure the contamination does not pose a health or safety risk.</li> </ul>



## MINIMUM DOCUMENTATION CHECKLIST

This checklist represents a minimum package for initiating an underwriting review which will need to be supplemented by documents shown in the Additional Documentation Checklist at the Applicant's earliest opportunity. Priority processing will be given to applications which respect the Minimum Documentation Checklist.

<b>All Projects</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> "Request – Certificate of Insurance" (CMHC 60335).</li> <li><input type="checkbox"/> The Approved Lender's: description of the property including age, construction type, number and type of units, condition; income/expense analysis on lender's form or CMHC 60369; recommendation on value, with market support.</li> <li><input type="checkbox"/> Current credit reports for the Borrower and Guarantors.</li> <li><input type="checkbox"/> Signed and up-to-date personal net worth statements for all individual Borrowers/ Guarantors, including details for any real property held: address, description, income and expenses, mortgage balance, mortgage payment and value. The Approved Lender must validate substantive asset-values.</li> <li><input type="checkbox"/> Financial Statements for the most recent year-end for Corporate Borrowers/Guarantors.</li> <li><input type="checkbox"/> For Corporate Borrowers indicate the type of structure (i.e. sole proprietorship, limited company, partnership, etc.), the ownership of the entity (including percentage ownership), key individuals, their responsibilities and reporting relationships. For complex Borrowers provide an organization chart describing the relationship with associated entities.</li> <li><input type="checkbox"/> For properties of 5 to 6 units, a complete property appraisal report, including Schedule A which outlines revenue and expenses of the property.</li> <li><input type="checkbox"/> Application fee.</li> </ul>
<b>Existing Projects</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Current detailed operating statement for the subject property and/or copies of property taxes, insurance and utilities invoices for the most recent 12 month period.</li> <li><input type="checkbox"/> Current rent roll for the subject property with rent effective dates.</li> <li><input type="checkbox"/> Copy of executed purchase &amp; sale agreement, if applicable.</li> </ul>
<b>Refinancing Requests</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Confirmation of the loan balance.</li> <li><input type="checkbox"/> Confirmation of the <i>pari passu</i> or second mortgage amount requested and lending value expectation.</li> <li><input type="checkbox"/> Details regarding all existing registered encumbrances including outstanding balances, term and amortization remaining, interest rate and monthly payments.</li> </ul>
<b>New Projects</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Borrower's project revenue and expense projections.</li> <li><input type="checkbox"/> One set of suite layouts and details/specifications regarding finishes and amenities.</li> <li><input type="checkbox"/> Copy of construction budget.</li> </ul>
<b>Affordable Housing Projects</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Copies of all third party contribution agreements or letter of intent from appropriate party.</li> <li><input type="checkbox"/> Copies of all rent supplement agreements or letter of intent from appropriate party.</li> <li><input type="checkbox"/> Copies of all operating subsidy agreements or letter of intent from appropriate party.</li> </ul>

<p><b>Retirement and Long Term Care Facilities</b></p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Project description: history of facility, number and type of rooms, amenities, and services offered.</li> </ul>
<p><b>Condominium Energy-Efficient Improvements</b></p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Audited Financial Statements for the past three (3) years.</li> <li><input type="checkbox"/> Recent income tax documentation – Non-Profit Organization Information Return and T2 Corporate Income Tax Return.</li> <li><input type="checkbox"/> Copy of the most recent reserve fund study (must include a physical inspection of the property and of the building envelope), prepared by an arm’s length qualified professional in good standing. The study must have been performed in accordance with the timing required under provincial legislation but at least within the last 6 years.</li> <li><input type="checkbox"/> Copies of the condominium/strata corporation’s by-laws with confirmation authorizing the corporation to borrow funds for the purpose of energy efficiency improvements to common elements/property.</li> <li><input type="checkbox"/> Appropriate documentation (contracts, plans, specifications etc.) to support the cost of the energy efficiency improvements.</li> <li><input type="checkbox"/> Confirmation of the number and type of residential units.</li> <li><input type="checkbox"/> Confirmation of the proposed condominium/strata fees.</li> <li><input type="checkbox"/> Confirmation of condominium/strata fees for comparable structures in the immediate area.</li> </ul>
<p><b>Leasehold Tenure</b></p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Copy of ground lease with the Approved Lender’s opinion, supported by the Approved Lender’s Solicitor’s opinion, regarding compliance to CMHC.</li> </ul>

## ADDITIONAL DOCUMENTATION CHECKLIST

Additional documentation required to complete the underwriting analysis is outlined below and lenders are encouraged to satisfy all Documentation requirements (both Minimum and Additional) in the first application package. In the list below a \* indicates a document which may not be required at all, or which may only be required prior to funding. Certain applications may require documentation other than that outlined below.

<b>All Projects</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> A summary of the borrower's past management experience and the résumé(s) of the manager if different from the borrower.</li> <li><input type="checkbox"/> For Corporate Borrowers/Guarantors Financial Statements for the past three years.</li> <li><input type="checkbox"/> For individual Borrowers/Guarantors a listing of all personal debt including outstanding balances and monthly payment requirements.</li> <li><input type="checkbox"/> The amount and source of the down payment.</li> <li><input type="checkbox"/> Lender's confirmation that Borrowers'/Guarantors' mortgage debt repayment is current.</li> <li><input type="checkbox"/> For properties with commercial/retail space, the total square footage of the building and the total square footage allocated to commercial/retail space, along with copies of commercial/retail leases and the Approved Lender's analysis of income/expenses and value of the non-residential space.</li> <li><input type="checkbox"/> For Borrowers with active construction projects a listing of all projects owned and under construction, including type, number of units, location, completion date for new construction, current debt, current value, appraisal surpluses and projects' revenues and expenses.</li> <li><input type="checkbox"/> *Letter from the lender confirming that the Phase I Environmental Site Assessment for the subject property conforms with CMHC policy relating to environmental risks.</li> <li><input type="checkbox"/> *For larger properties, while not a requirement, submission of your property appraisal and property condition report will facilitate the processing of the request.</li> <li><input type="checkbox"/> *For individual Borrowers/Guarantors a copy of the previous year's income tax return, including Schedule A.</li> </ul>
<b>Existing Projects</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Three years of historical operating statements for the subject property.</li> <li><input type="checkbox"/> Appropriate documentation (contracts, plans, specifications, quantity surveyor's report) to support cost of any repairs.</li> </ul>
<b>New Projects</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Feasibility/market study in circumstances where market demand and pricing cannot be adequately substantiated by Lender/Borrower.</li> <li><input type="checkbox"/> Copies of all signed contracts, if available.</li> <li><input type="checkbox"/> *Documentation in support of construction budget: specifications, and quantity surveyor's report.</li> <li><input type="checkbox"/> *Confirmation of zoning.</li> </ul>
<b>Retirement and Long Term Care Facilities</b>	<p>Where applicable:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Copies of service agreements.</li> <li><input type="checkbox"/> Copy of "Notice of Decision" or other correspondence from the appropriate provincial/territorial authority confirming compliance with the structural criteria or identifying areas of non-compliance. If the facility is non-compliant in any way, a plan to bring it into compliance must be submitted.</li> <li><input type="checkbox"/> Copy of most recent provincial/territorial authority's inspection report.</li> <li><input type="checkbox"/> Copy of most recent provincial/territorial authority's certificate and covering correspondence.</li> <li><input type="checkbox"/> Copy of completed Long Term Care Facility Calculation Worksheet and evidence of approval from the provincial/territorial authority.</li> <li><input type="checkbox"/> *Copies of Union contracts, or, if non-union status, information on the relationship between employees and employer, and a comparison of wage rates with unionized facility.</li> </ul>

For more information, contact the nearest  
CMHC Business Centre:

**ATLANTIC BUSINESS CENTRE**

1894 Barrington Street, Barrington Tower, 9th Floor,  
Halifax, NS, B3J 2A8  
Telephone: (902) 426-3530

**QUEBEC BUSINESS CENTRE**

1100 René-Lévesque Blvd West, 1st Floor  
Montréal, QC, H3B 5J7  
Telephone: (514) 283-2222

**ONTARIO BUSINESS CENTRE**

100 Sheppard Ave. E. Suite 300  
Toronto, ON, M2N 6Z1  
Telephone: (416) 221-2642

**PRAIRIES AND TERRITORIES BUSINESS CENTRE**

1000-7th Avenue S. W., Suite 200  
Calgary, AB, T2P 5L5  
Telephone: (403) 515-3000

**BRITISH COLUMBIA BUSINESS CENTRE**

1111 West Georgia Street, Suite 200  
Vancouver, BC, V6E 4S4  
Telephone: (604) 731-5733

**You can also visit our website at: [www.cmhc.ca](http://www.cmhc.ca) or call  
1 877 Multi GO (1 877 685-8446)**

19-01-12



# CMHC-Eligible Energy-Efficient Building Programs

CMHC encourages the development of more energy-efficient homes by making eligible a broader range of home building programs. Homes built under the following programs qualify for a 10 per cent mortgage loan insurance premium refund, and a premium refund for a longer amortization period (if applicable) when [CMHC Mortgage Loan Insurance](#) is used to finance their purchase or construction.

- [R-2000](#) (National)  
<http://oee.nrcan.gc.ca/residential/personal/new-homes/r-2000/About-r-2000.cfm?attr=4>
- [LEED Canada For Homes](#) EGH 80\*+ (National)  
<http://www.cagbc.org/leed/what/index.php>
- [Power Smart New Homes](#) (British Columbia)  
<http://www.bchydro.com/powersmart/>
- [Built Green™ BC Platinum Label Homes](#) (British Columbia)  
<http://www.chbabc.org/content.php?id=504>  
(Note: Gold, Silver and Bronze label homes are only eligible if they receive an EnerGuide evaluation indicating they meet CMHC's minimum score of 80\*)
- [GreenHome™](#) and [Super GreenHome™](#) (Yukon)  
<http://www.housing.yk.ca>
- [Built Green™ Platinum Label Homes \(Alberta\)](#) (Alberta)  
<http://www.builtgreenalberta.com/>  
(Note: Gold, Silver and Bronze label homes are only eligible if they receive an EnerGuide evaluation indicating they meet CMHC's minimum score of 80\*)
- [ENERGY STAR® for New Homes](#) (Saskatchewan)  
<http://www.energystarsask.ca/>
- [Power Smart™](#) (Manitoba)  
[http://www.hydro.mb.ca/your\\_home/small\\_changes\\_add\\_up/index.shtml?WT.mc\\_id=2807](http://www.hydro.mb.ca/your_home/small_changes_add_up/index.shtml?WT.mc_id=2807)
- [GreenHouse™](#) (Ontario)  
<http://www.greenhousecertified.ca/>
- [ENERGY STAR®](#) (Ontario)  
<http://oee.nrcan.gc.ca/residential/energystar-energuide-r2000.cfm?attr=4>
- [Novoclimat<sup>MC</sup>](#) (Quebec)  
<http://www.aee.gouv.qc.ca/mon-habitation/novoclimat/>

## Other energy-efficient homes can also qualify

If the home you are purchasing or building does not belong to one of these programs, it may still be eligible. Homes that have an NRCan energy efficiency rating of 80\* or above also qualify. Visit [www.ecoaction.gc.ca/buildings](http://www.ecoaction.gc.ca/buildings) to find out how to obtain a home energy evaluation and rating.

\* Depending on the closing date of your purchase, the Natural Resources Canada (NRCan) Energy-Efficiency Rating required differs:

For purchases with a closing date...	NRCan Energy-Efficiency Rating Required
On or after April 1 <sup>st</sup> , 2010	80
Between July 27 <sup>th</sup> , 2005 and March 31 <sup>st</sup> , 2010	77
Between November 18 <sup>th</sup> , 2004 and July 26 <sup>th</sup> , 2005	80

## **Applying for the refund is easy**

To apply for your refund, complete CMHC's [Energy-efficient Premium Refund Form](#) and send it to CMHC for processing.

## **Saskatchewan EnerGuide for Houses (SEGH)**

**April 1<sup>st</sup>, 2011 to October 31<sup>st</sup>, 2013**

### **1. What is Saskatchewan EnerGuide for Houses?**

Saskatchewan EnerGuide for Houses (SEGH) was developed in cooperation with Natural Resources Canada (NRCan) to help you make choices that will improve the comfort and energy efficiency of your home. Independent energy advisors, certified by NRCan, are available to determine how your home is using energy and where it is being wasted. Provincial grants are currently available for homeowners who complete specific energy efficiency upgrades based on the results of their SEGH evaluations.

### **2. Why is the Province continuing the Saskatchewan EnerGuide for Houses program until 2013?**

The Saskatchewan government is committed to the environment and it is demonstrated by the renewal of the EnerGuide for Houses program as part of the Go Green plan. This program has been instrumental in demonstrating the Province's commitment to Go Green by helping Saskatchewan homeowners 'Go Green' in their day-to-day lives.

The Saskatchewan EnerGuide for Houses Program has provided grants to over 56,000 households for energy retrofits. These retrofits have resulted in an annual reduction of approximately 129,000 tonnes of CO<sub>2</sub> from the air; a reduction roughly equivalent to permanently removing 23,450 cars from the road.

The current Saskatchewan EnerGuide for Houses program, built off of a solid foundation from the existing program, has been enhanced to encourage homeowners to upgrade to the most efficient equipment available and to undertake comprehensive renovations that will make a significant impact in reducing greenhouse gas emissions and lower the homeowner's energy costs.

### **3. What are the effective dates for the program?**

Effective April 1, 2011, homeowners can have a pre-retrofit evaluation completed and enter the program up to June 30, 2013. They must complete their retrofits and have their post-retrofit evaluation completed within 18 months or by October 31, 2013 whichever comes first.

### **4. How much grant money are homeowners eligible for under the new Saskatchewan EnerGuide for Houses program?**

Homeowners are eligible for a maximum provincial grant of up to \$5,000 per property under the new program. This program encourages homeowners to adopt energy efficiency best practices, which they may deem unaffordable in the absence of a grant.

### **5. What is the estimated average grant amount?**

It is estimated that the average provincial grant will be approximately \$1,250.



**6. What do you expect will be the average saving for homeowners in terms of reduced energy consumption and lower costs?**

It is estimated that the average home will reduced their energy consumption by over 20 percent and reduce greenhouse gas emissions by up to 3 tonnes per house, this may vary depending on the retrofits completed.

**7. What's on the list of improvements that qualify for a grant?**

High efficiency upgrades to your home's heating and ventilation systems and insulation are eligible for a grant. In addition, other eligible retrofits include replacing your air conditioning system, water heating systems such as tankless and solar options, ENERGY STAR® doors, windows, light fixtures, clothes washer and a gas dryer. Visit [saskenergy.com](http://saskenergy.com) for a complete list of eligible retrofits and the corresponding grant amount.

**8. How is the grant calculated?**

Each recommendation provided as a result of the pre-retrofit evaluation will have an assigned grant amount. For example, if you replace an old standard furnace with a new ENERGY STAR® qualified natural gas furnace that is at least 95% efficient (AFUE) with a brushless DC motor you qualify for a provincial grant of \$650. As a homeowner you will know up-front how much the grant is for each improvement, to help you prioritize your retrofits.

**9. Do I receive an EnerGuide rating on my home?**

Yes. In addition to the recommendations that indicate the grant amounts, the energy advisor will provide you with an EnerGuide rating and label for your home, both before and after the retrofits are completed.

**10. How do I qualify for the SEGH grant?**

The following steps MUST be performed in order to be eligible for a grant:

**Step 1**

- Contact a licensed SEGH service organization to book a pre-retrofit evaluation. The latest date to have a pre-retrofit evaluation completed is June 30<sup>th</sup>, 2013. There is a cost for the evaluation, please discuss the evaluation costs with the service organization at the time of booking, including mileage if applicable. The Province of Saskatchewan pays for ½ the cost of the pre-retrofit evaluation, up to \$150, to reduce the upfront cost to homeowners. The service organization will only charge you the difference.

**Step 2**

- An energy advisor will come to your house and perform an energy evaluation, consisting of a basement to attic overall review of your home and a blower door test to measure air tightness and help locate air leakage. Your energy advisor is required to take pictures of your home and specific equipment during the pre-retrofit evaluation. You will receive a homeowner report approximately two weeks after your evaluation with a list of recommended measures, eligible grant amounts, and an EnerGuide rating label specific to your home.

### Step 3

- You have 18 months from the date of your pre-retrofit evaluation or until October 31<sup>st</sup>, 2013, whichever comes first, to complete your retrofits and have your post-retrofit evaluation completed. You can complete any or all of the recommendations outlined in the homeowner report.

### Step 4

- A post-retrofit evaluation must be completed to qualify for a grant. Book an evaluation with the same SEGH service organization that completed your initial evaluation prior to the 18 month deadline or October 31<sup>st</sup>, 2013, whichever comes first. Make sure to call your Service Organization early to book a post-retrofit evaluation to ensure they can schedule your appointment prior to the deadline. Be sure to have your SEGH file number available when you call (it is located on your homeowner report).
- An energy advisor will come to your house and perform a new energy evaluation, reviewing the changes you made and will retest you home using the blower door test to measure air tightness after your retrofits. You will receive a new EnerGuide rating label that reflects the improvements that you made to the overall efficiency of your home.
- The Province of Saskatchewan also pays for ½ the cost of the post-retrofit evaluation, up to \$100, to reduce the cost to homeowners. The service organization will only charge you the difference.

### Step 5

- The service organization will submit the file to Natural Resources Canada who processes the file and then sends the information to SaskEnergy. You don't need to do anything else - the grant will be mailed to you within 90 days of your post-retrofit evaluation from SaskEnergy, who is administering the program on behalf of the Government of Saskatchewan.

Note: Your energy advisor is required to take pictures of your home and specific equipment during the pre- and post-retrofit evaluations. You need to retain all of your receipts for retrofits completed and they must be available at the post-retrofit evaluation.

## 11. Who does the pre- and post-retrofit evaluations?

There are three licensed service organizations in Saskatchewan who provide this service: Sun Ridge Group, AmeriSpec and Energywise Solutions.

### **Sun Ridge Group**

Regina, Saskatoon and all communities throughout Saskatchewan  
Toll-free **1-800-667-3700** or book online at [sunridgegroup.ca](http://sunridgegroup.ca)

### **AmeriSpec**

Regina and south of Davidson - **call (306) 565-1703**  
Saskatoon and north of Davidson - **call (306) 652-8779**  
Battleford's and Lloydminster areas - **call (866) 871-8111**  
Prince Albert and northeast - **call (306) 862-2797**

### **Energywise Solutions**

Regina, Saskatoon and other communities throughout Saskatchewan  
Toll-free **1-888-860-1766** or book online at [energywisesolutions.ca](http://energywisesolutions.ca)

## 12. What is the cost of the pre-retrofit and post-retrofit evaluation?

The Province of Saskatchewan pays half the cost of the pre-retrofit evaluation, up to \$150, and half the cost of the post-retrofit evaluation, up to \$100. Please contact the service organizations for their current pricing and any mileage charges.

Your initial investment is easily recovered in savings after implementing the home improvements outlined in the pre-retrofit evaluation report. As well, if you make the recommended changes, your eligible grant may be more than your combined evaluation costs.

## 13. Is there anything that I need to do to get ready for the pre-retrofit or post-retrofit evaluation?

The energy advisor will need access to every room in the house, including the attic and any crawl spaces. Be sure to clear the area around these areas before the energy advisor arrives. In addition, please make sure not to use any wood-burning appliances, such as fireplaces or wood stoves, at least 24 hours in advance and clean them prior to the evaluation.

## 14. If my furnace breaks down during the heating season, can I replace this equipment before the pre-retrofit evaluation?



Effective from **September 15, 2012 to March 31, 2013.**

Yes. In the case of an emergency furnace replacement during the period noted above, the property owner **must call a service organization within five (5) calendar days of the system replacement** to schedule a pre-retrofit evaluation, and the evaluation must take place within 30 days of the new furnace installation. **The equipment installed must be an ENERGY STAR qualified furnace that has a 95% AFUE or higher, and a brushless DC motor.**

In order to qualify for a grant, you must keep sufficient information regarding the old heating system (see eligibility criteria and process below).

Calling a service organization later than five (5) calendar days after the heating equipment has been replaced will not be considered for a retrofit grant.

### Eligibility Criteria:

1. Heating equipment that has been 'red-tagged' or deemed unsafe by the utility, service technician or building inspector.
2. Heating equipment that cannot be repaired and must be replaced.

### Process for qualifying for a grant:

Please read these instructions carefully.

Ensure your invoice for the new heating system includes the following information and is available to present to you energy advisor at the time of the pre-retrofit evaluation:

1. Supplier's business name, address and phone number
2. Date of installation
3. Manufacturer's name and model number of heating equipment; and
4. The AFUE of the product or a note indicating that it is ENERGY STAR qualified

The heating contractor must provide you with information about the old heating system being removed, and you must give this information to the energy advisor at the time of the pre-retrofit evaluation:

1. Fuel Type (natural gas, propane, or oil)
2. Type of system (forced air, hydronic or radiant)
3. Type of venting (i.e. chimney, side vent, barometric damper)
4. Rated efficiency, output, input from the nameplate
5. Last upgrade, if any (i.e. oil burner gun/assembly)

When replacing a furnace, this may present an opportunity to replace an existing central air-conditioning unit. However, only the replacement of your inside coil may be possible in the heating season due to climate conditions. The replacement of the outside equipment may have to wait for warmer weather. You must remember that to capture all eligible measures for grant purposes, the performance of your post-retrofit evaluation would have to wait until the replacement of both indoor and outdoor components is complete. The new equipment must meet the requirements listed in the Saskatchewan EnerGuide for Houses “Chart of Eligible Retrofits”. You will need to supply the following information about your existing air conditioning unit:

1. Capacity
2. Make and model number
3. Efficiency



**15. If my hot water heater breaks down during the heating season, can I replace this equipment before the pre-retrofit evaluation?**

Effective from **September 15, 2012 to March 31, 2013.**

Yes, as with furnaces and other space heating systems, if your hot water heater breaks down during the period noted above, you can arrange an emergency replacement of this equipment. The property owner **must call a service organization within five (5) calendar days of the system replacement** to schedule a pre-retrofit evaluation, and the evaluation must take place within 30 days of the new furnace installation. **The new equipment must meet the requirements listed in the Saskatchewan EnerGuide for Houses “Chart of Eligible Retrofits”**

In order to qualify for a grant, you must keep sufficient information regarding the old water heating system (see eligibility criteria and process below).

Calling a service organization later than five (5) calendar days after the equipment has been replaced will not be considered for a retrofit grant.

**Eligibility Criteria:**

1. Water heating equipment that has been ‘red-tagged’ or deemed unsafe by the utility, service technician or building inspector.
2. Water heating equipment that cannot be repaired and must be replaced.

**Process for qualifying for a grant:**

Please read these instructions carefully.

Ensure your invoice for the new water heating system includes the following information and is available to present to you energy advisor at the time of the pre-retrofit evaluation:

1. Supplier's business name, address and phone number
2. Date of installation
3. Manufacturer's name and model number of heating equipment

The plumbing and heating contractor must provide you with information about the old water heating system being removed, and you must give this information to the energy advisor at the time of the pre-retrofit evaluation:

1. Fuel Type
2. Type of system
3. Capacity (storage)
4. Efficiency
5. Make and model number
6. Confirmation with your energy advisor that the new equipment is eligible

#### **16. Why do I need to have an SEGH evaluation done? Why can't I just make my upgrades and send in the receipts?**

There are many benefits to be gained from the evaluations. An independent certified energy advisor will provide you with a detailed report on how to economically improve your home's air tightness, comfort and energy use. The report provides recommendations on the most beneficial retrofits specifically for your home. The report also provides a rating for your house allowing you to compare the amount of energy you currently use with the most energy efficient retrofits to reduce your costs and improve your home's overall efficiency rating.

Many homeowners enter the program with upgrades in mind and once they meet with the energy advisor and review the homeowner report they typically make additional upgrades or change their priorities based on the independent advice they received from the certified energy advisor.

#### **17. What types of residential dwellings are eligible under the program?**

Low-rise residential properties defined as dwellings under Parts 2 and 9 of the National Building Code of Canada. These include single detached and attached homes (i.e. row housing, duplexes and triplexes), small multi-unit residential buildings including some small apartment buildings of three storeys or less built on a maximum footprint of less than 600 square meters, mobile homes on a permanent foundation, and recreational homes that are fully-serviced four-season properties.

#### **18. Do homes of any age qualify?**

Saskatchewan EnerGuide for Houses was designed to help reduce greenhouse gas emissions from existing homes. There is no restriction as to the age of an existing house or building, but those built before 1985 will benefit the most as they have the potential for more significant energy improvements.

#### **19. What if my home is in a rural or northern area?**

The Province wants people all across the province to be able to take advantage of the program. The service organizations provide evaluations to homeowners in all areas, however mileage charges may apply. If you have friends or family in your immediate area that are interested in having an evaluation booked, the service organizations will try and schedule them at the same time so travel costs can be shared making it more economical for all.

## **20. What about homes on reserve and owned by the First Nation?**

Yes, they are eligible for the SEGH program. The Band is considered the landlord, and the Band is eligible to have the SEGH pre-retrofit and post-retrofit evaluations completed and apply for the grants. First Nations customers who own homes are eligible to apply as well.

## **21. I own rental properties, are these eligible?**

Yes. Single family homes and multiple-unit low-rise residential buildings held by rental property owners are eligible provided they meet the eligibility criteria.

## **22. I own a cottage / recreational property. Is this eligible?**

In order to qualify for a grant, the recreational home must be a fully-serviced four season property, meeting the specific definitions under the National Building Code, parts 2 and 9. The recreational home does not have to be a primary residence.

## **23. Are small commercial businesses eligible to receive a grant?**

Small mix-used commercial/residential buildings are eligible. These buildings must be no more than three storeys above grade, have a building footprint of 600 square meters or less and use at least 50% of the floor space for permanent residential purposes. Mixed-use buildings that contain commercial or industrial equipment or systems that are not usually found in a dwelling are excluded.

Examples of mixed-use buildings that may qualify: buildings where the non-residential space does not contain commercial or industrial equipment, such as a clinic, travel agency, bed and breakfast, bookstore, office or hair salon.

Examples of mixed-used buildings that do not qualify: buildings where the non-residential space contains commercial or industrial equipment, such as a restaurant with commercial stoves, a grocery store or convenience store with commercial freezers, coolers or a Laundromat with commercial washers and dryers.

To determine if your facility is eligible, please contact a Saskatchewan EnerGuide for Houses service organization.

## **24. What state must the home be in to have an energy evaluation?**

In order to have an energy evaluation, the energy advisor needs to perform a blower door test which depressurizes the house and measures air leakage. The following are other conditions of the program:

- Heating: At a minimum, the house must have a space heating system in place at the time of the evaluation and it must be (or have been in the case of heating system failure) capable of keeping the interior living space at 21 degrees C.
- Windows and doors: The house must have all windows and doors in place. However, a maximum of one window or door unit can be missing as long as it is temporarily air sealed (e.g., covered with plywood and seams and edges sealed with caulking). Any broken window panes must be air sealed (e.g., taped polyethylene) for the duration of the blower door test.

- **Envelope:** If the temporary air sealing fails during the blower door test, the house will be considered ineligible. The building envelope, which includes the upper level ceilings, exterior walls, exposed floors, windows and doors must be intact, including the interior and exterior surfaces (i.e., the interior finish and exterior siding must be in place). Any renovations underway in rooms or sections of the house can only affect interior partitions and not perforate the building envelope.
- **Foundation:** The house must rest on its permanent foundation(s).
- **Power:** There must be a supply of standard AC electrical power available by which to operate the blower door test equipment. If power is not available from a utility, the homeowner must come to an agreement with the service organization about arranging for a suitable power supply.
- **Water and sewer:** There must be a functional supply of domestic water supplied by the municipality or from a private source such as a well or a cistern system. Sewer service must be provided by the municipality, a private septic system or a holding tank (outhouses and bio-toilets are permissible as toilets).
- **Operating kitchen:** The kitchen space must include: an operable sink (or appropriate rough-ins); an operating stove (no portable devices) or hook-ups (i.e., rough-in for electrical connection with dedicated breaker, gas appliance rough-in, or solid-fuel fired cook stove chimney); and a minimum of six square feet (0.5 square meters) of counter space or evidence of future intent to install a permanent counter (not just a kitchen table).

**25. What if I add rooms or re-build my home after the pre-retrofit evaluation?**

The SEGH program does not apply to new construction. If you have added additions or re-built your home, this is considered new construction and will not be eligible for a grant.

**26. I already started my renovations. Can I still apply for a grant?**

Unfortunately, any renovations started prior to completing a pre-retrofit evaluation will not be eligible for a grant.

**27. Can I do the retrofit work myself and still be eligible for a grant?**

Yes, provided you receive a pre-retrofit evaluation before you begin your upgrades and a post-retrofit evaluation after your upgrades are completed. It is important to keep invoices for materials purchased as you may be asked to provide copies. You are responsible for obtaining necessary permits that meet all municipal and provincial requirements.

**28. The provincial grant chart indicates that I must insulate a *minimum of 60 percent* of my home's total foundation area (including basement & crawlspace) in order to receive the incentive for foundation (basement and crawlspace) insulation. How do I determine whether or not I qualify?**

The following example demonstrates how foundation grants are calculated under the Saskatchewan EnerGuide for Houses program for homes that have both a crawlspace & a basement area.



Home Specifications:

Dimensions	50' x 25'
Floor Area	1250 ft <sup>2</sup>
Basement Dimensions	30' x 25'
Basement Wall Height	8 ft
Crawl Space Dimensions	20' x 25'
Crawl Space Wall Height	4 ft

Calculations:

Basement wall area:  $(30' + 30' + 25') \times 8' = 680 \text{ ft}^2$

Crawl Space Wall area:  $(20' + 20' + 25') \times 4' = 260 \text{ ft}^2$

Total foundation wall area:  $680 + 260 = 940 \text{ ft}^2$

If you insulate 100% of the crawl space with R24, the wall area would equal 27.7% of the total foundation wall area:  $(260 \text{ ft}^2 / 940 \text{ ft}^2) \times 100\% = 27.7\%$

- o Because minimum combined (basement and crawlspace) insulation rate is 60% for the foundation (basement and crawlspace) insulation grant you would not qualify for a provincial foundation insulation grant

If you insulate 100% of the basement wall area that would equal a total foundation wall area of:  $(680 \text{ ft}^2 / 940 \text{ ft}^2) \times 100\% = 72.3\%$

- o At an insulation rate of R-24 you would qualify for:  
\$723 provincial grant ( $\$1,000 \times 72.3\%$ )

If you insulate two basement walls totaling 440 ft<sup>2</sup> and the full crawl space of 260 ft<sup>2</sup> you would have insulated:  $440 + 260 = 700 \text{ ft}^2$  or  $(700 \text{ ft}^2 / 940 \text{ ft}^2) \times 100\% = 74.5\%$  of your foundation wall.

- o At insulation rate of R-12\*\* you would qualify for:  
Basement:  $(440 \text{ ft}^2 / 940 \text{ ft}^2) \times \$500 = \$234$   
Crawl Space:  $(260 \text{ ft}^2 / 940 \text{ ft}^2) \times \$400 = \underline{\$111}$   
Combined Incentive:  $\underline{\$345}$

\*\*Grant amounts are taken from the Saskatchewan EnerGuide for Houses "Chart of Eligible Retrofits" available at saskenergy.com under the "Saving Energy" section of the website.

**29. I participated previously in the Saskatchewan EnerGuide for Houses program, and have more retrofits I'd like to complete. Can I participate again and do I need to have another pre-retrofit evaluation completed?**

Yes, you can participate again. Your Service Organization will review your old file to determine if they can use the previous information or if an in-home evaluation is required and provide the applicable cost. You will have 18 months from the date of your new pre-retrofit evaluation or until October 31<sup>st</sup>, 2013, whichever comes first, to complete your retrofits and have your post-retrofit evaluation done to be eligible for further incentives.

**30. Under to previous EnerGuide for Houses program I had a pre-retrofit evaluation completed and completed some of my retrofits, however I never had a post-retrofit evaluation completed before March 31, 2011. Can I have my post-retrofit evaluation completed under this program and qualify for a grant?**

No, you will not qualify for a grant unless your post-retrofit evaluation was completed by March 31, 2011. If you want to make additional changes, you can have a new pre-retrofit evaluation done in order to participate in the new program. Only changes that you make after the new pre-retrofit evaluation will qualify.

**31. Is there help available to pay for renovations?**

SaskEnergy Network Members offer financing for the purchase and installation of heating, ventilation, cooling and domestic water systems. Contact your local Network Member for information on applicable financing rates. A list of Network Members is available on the SaskEnergy website [saskenergy.com](http://saskenergy.com), on the Network Member page.

**32. I don't heat with natural gas. Can I still qualify?**

Yes, you still qualify. It doesn't matter what fuel you use to heat your home, you can have an SEGH evaluation. An energy advisor will complete the pre-retrofit evaluation and provide recommendations specific to your home.

**33. Are the grants I receive under this program taxable?**

No, they are not taxable.

**34. Do you share program administration with the federal government?**

Yes, we share program administration with Natural Resources Canada. This allows us to minimize our costs, ensure that homeowners receive consistent information, and that we can issue grants as quickly as possible.



# **B** Appendix B - Existing Swift Current Residential Policies



**CITY OF SWIFT CURRENT  
POLICY AND PROCEDURE MANUAL**

REVISION DATE: Council Res. No. 188-1997 July 7, 1997	ISSUED: Council Res. 344 - 96 December 16, 1996	CHAPTER:  PAGE: 1 of 1
<b>IN-FILL</b>		

**PURPOSE:**

The purpose of the In-fill policy is to set the regulations and charges for the inspection of used single family and duplex residential houses that the owner wishes to move into the in-fill area. The policies complement Section 56 of Bylaw No. 1 - 1988, the Zoning Bylaw.

**POLICY:**

1. That used single family and duplex residential houses being moved into the in-fill area must be generally the same age or newer than the surrounding houses.
2. That the Building and License Inspector shall have the right to require any upgrading deemed necessary.
3. That all houses must be inspected and approved by the Building and License Inspector before a moving permit is issued. There will be a charge of \$250.00 for the inspection. In addition there will be a \$0.50 per kilometer charge for travel to and from the house to be inspected. There will be no travel charges for houses within five (5) kilometers from the City boundaries.
4. That any exterior upgrading deemed necessary by the Building and License Inspector be completed within 90 days.

**CITY OF SWIFT CURRENT  
POLICY AND PROCEDURE MANUAL**

REVISION DATE: December 21, 1998 Council Res. No. 423-1998	ISSUED: December 15, 1997 Council Res. No. 338-1997	CHAPTER:  PAGE: 1 of 2
<b>INNER CITY HOUSING INITIATIVE</b>		

**INTRODUCTION:**

Much of the core area in the City of Swift Current has many residences in very poor condition. Many of the buildings have reached the end of their useful lives and should be demolished. These areas also have many vacant properties where older residences have been previously demolished.

**PURPOSE:**

The purpose of this initiative to encourage the construction of new homes or the moving in of used homes that have been upgraded as per the City's requirements.

As an incentive to construct a new owner occupied home or move in a used owner occupied home the City is prepared to grant a property tax assessment exemption on the improvements constructed on a property in the Inner City area.

**DEFINITIONS:**

- Condominium - a residential development where the owners of the development jointly own the common property within the boundaries of the legal subdivision.
- Inner City Area - that area defined as the Inner City Area in the Zoning Bylaw
- RTM - a home that has been built on another site and moved to a lot in the city.

**POLICY:**

the City will grant an exemption from tax assessment for a period of 5 years on new, owner occupied, single family, duplex homes, or condominiums including new RTM's constructed in the Inner City Area



**CITY OF SWIFT CURRENT  
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REVISION DATE: December 21, 1998 Council Res. No. 423-1998	ISSUED: December 15, 1997 Council Res. No. 338-1997	CHAPTER:  PAGE: 2 of 2
<b>INNER CITY HOUSING INITIATIVE</b>		

- the City will grant an exemption from tax assessment for a period of 3 years on used owner occupied single family or duplex homes that have been moved into the Inner City Area and that have been upgraded as per the City's requirements
- to be eligible the building permit for homes must have been issued after Dec 15, 1996.
- the tax assessment exemption is only available on the improvements on the property, the land itself is still subject to taxation.

**PROCEDURES:**

- The property owner(s) will be required to fill out an " Application for a Conditional Tax Assessment Under the Inner City Housing Initiative "
- Upon acceptance by the Engineering Department that all of the necessary work has been done and all of the necessary documents have been submitted, the property owner(s) shall sign a " Tax Assessment Exemption Agreement- Inner City Housing Initiative ". Upon signature the agreement will be submitted to Council for approval and a bylaw passed by Council granting the tax assessment exemption for the agreed upon time period and for so long as the conditions of the agreement are met.
- Complete and correct applications received by the City will have the tax assessment exemption start from the date of occupancy. The exemption will be for the total time outlined in the policy and the agreement.

**CITY OF SWIFT CURRENT  
POLICY AND PROCEDURE MANUAL**

<b>DATE OF ISSUE:</b> May 24, 2005 Council Res. 234-2005	<b>REVISION DATE:</b> July 15, 2008 Council Res. 273 – 2008 November 15, 2010 Council Res. 361-2010	Page 1 of 5
<b>MULTI-FAMILY INCENTIVE POLICY</b>		

**INTRODUCTION:**

Much of the core area in the City of Swift Current has many residences in very poor condition. Many of the buildings have reached the end of their useful lives and should be demolished. We are projecting a shortage of available rental units and with incentives already in place for residential and commercial construction the City is providing an incentive for the construction of rental units in all appropriate zoned areas.

**PURPOSE:**

The purpose of this initiative is to encourage the construction of new multi family accommodations in all areas of the city where appropriate zoning exists.

As an incentive to construct new multi family residences, the City is prepared to grant a property tax assessment exemption on the improvements constructed in the applicable areas of the City.

**DEFINITIONS:**

- Multi Family Residence is considered to be a development with 4 or more units contained in one structure.
- Residential Units constructed with less than 4 units but more than 1 unit shall be considered eligible under this policy.
- Inner City Area - that area defined as the Inner City Area in the Zoning Bylaw.
- DC-C1 – that area defined as the DC-C1 Area in the Zoning Bylaw.
- DC-T1 - that area defined as the DC-T1 Area in the Zoning Bylaw.

**CITY OF SWIFT CURRENT  
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<b>MULTI-FAMILY INCENTIVE POLICY</b>		

**POLICY:**

1) The City will grant an exemption from tax assessment for new multi unit **rental** residences located within an R2 and R3, zone or within the Inner City Area. The exemption shall be applied as follows:

- 25% for year one, 50% for year two and 100% for years three, four and five, with full taxation to take effect in year six. These exemptions are to be applied once the new construction is ready for occupancy.

2)

The City will grant an exemption from tax assessment for new multi unit **owner occupied** residences and new multi unit **rental** residences located within a DC-C1 or DC-T1 zone. The exemption shall be applied as follows:

- 100% for years one, two and three, 50% for year four, and 25% for year five, with full taxation to take effect in year six. These exemptions are to be applied once the new construction is ready for occupancy.
- To be eligible the building permit for eligible units must have been issued after July 15, 2008.
- The tax assessment exemption applies only to the improvements on the property; the land itself is still subject to taxation.

**CITY OF SWIFT CURRENT  
POLICY AND PROCEDURE MANUAL**

<b>DATE OF ISSUE:</b> May 24, 2005 Council Res. 234-2005	<b>REVISION DATE:</b> July 15, 2008 Council Res. 273 – 2008 November 15, 2010 Council Res. 361-2010	Page 3 of 5
<b>MULTI-FAMILY INCENTIVE POLICY</b>		

**PROCEDURES:**

- The property owner(s) will be required to fill out the attached application for a conditional tax assessment exemption under the Multi Family Incentive Policy.
- Upon acceptance by the Engineering Department, the property owner(s) shall sign a "Tax Assessment Exemption Agreement ". Upon signature the agreement will be submitted to Council for approval.
- Complete and correct applications received by the City will have the tax assessment exemption start from the date of occupancy. The exemption will be for the total time outlined in the policy and the agreement.

**CITY OF SWIFT CURRENT  
POLICY AND PROCEDURE MANUAL**

<b>DATE OF ISSUE:</b> <b>May 24, 2005</b> <b>Council Res. 234-2005</b>	<b>REVISION DATE:</b> <b>July 15, 2008</b> <b>Council Res. 273 – 2008</b> <b>November 15, 2010</b> <b>Council Res. 361-2010</b>	<b>Page 4 of 5</b>
<b>MULTI-FAMILY INCENTIVE POLICY</b>		



**APPLICATION FOR A CONDITIONAL TAX ASSESSMENT EXEMPTION  
UNDER THE MULTI FAMILY INCENTIVE POLICY**

The Multi Family Incentive Policy is a program to encourage the redevelopment of properties located within the Inner City, DC-C1, and DC-T1 as well as to encourage the development of rental residential units in appropriate zones within the City.

**Conditions of Eligibility for the Tax Assessment Exemption**

1. All new multi family residential units (**rental or owner occupied**) that are constructed within a DC-C1 or DC-T1 zone shall be eligible for a property tax assessment exemption on the improvements only based on 100% in years one, two and three, 50% in year four, 25% in year five with full taxation in year six and beyond.
2. All new multi family residential **rental** units that are constructed within the Inner City Area, R2 or R3 zones shall be eligible for a property tax assessment exemption on the improvements only based on 25% in year one, 50% in year two, and 100% in years three, four and five with full taxation in year six and beyond. These exemptions apply only so long as the said units are in a rental state as per policy.
3. Units whose building permit was issued after July 15, 2008 are eligible for the property tax assessment exemption.
4. The applicant shall notify the City of any occurrences which would discontinue, change or terminate the tax assessment exemption agreement (including change in occupancy or ownership). A new owner of a property that has a tax assessment exemption agreement in place shall be eligible to continue the tax assessment exemption as long as the agreement is still current. ( i.e. the tax assessment exemption is within the eligible time period.)
5. There are no outstanding taxes owing on the property or utility charges owing by the occupant.
6. Property tax assessment exemptions shall commence on the date the unit was occupied.

Full Name of Applicant: \_\_\_\_\_

Civic Address: \_\_\_\_\_

Swift Current \_\_\_\_\_ Postal Code: \_\_\_\_\_

Phone: ( Res.) \_\_\_\_\_ ( Bus.) \_\_\_\_\_

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<b>MULTI-FAMILY INCENTIVE POLICY</b>		

Legal Description of Property: Lot(s): \_\_\_\_\_ Block: \_\_\_\_\_ Plan: \_\_\_\_\_  
(Attach Certified Certificate of Title )

Date of Issue of Building Permit: \_\_\_\_\_ Date of Occupancy: \_\_\_\_\_

Was a building demolished before the new home was constructed? Yes \_\_\_\_\_ No \_\_\_\_\_

Date of Demolition: \_\_\_\_\_

I / We, the undersigned, understand the conditions of eligibility outlined above and would like to apply for a conditional tax assessment exemption under the Multi Family Incentive Policy.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

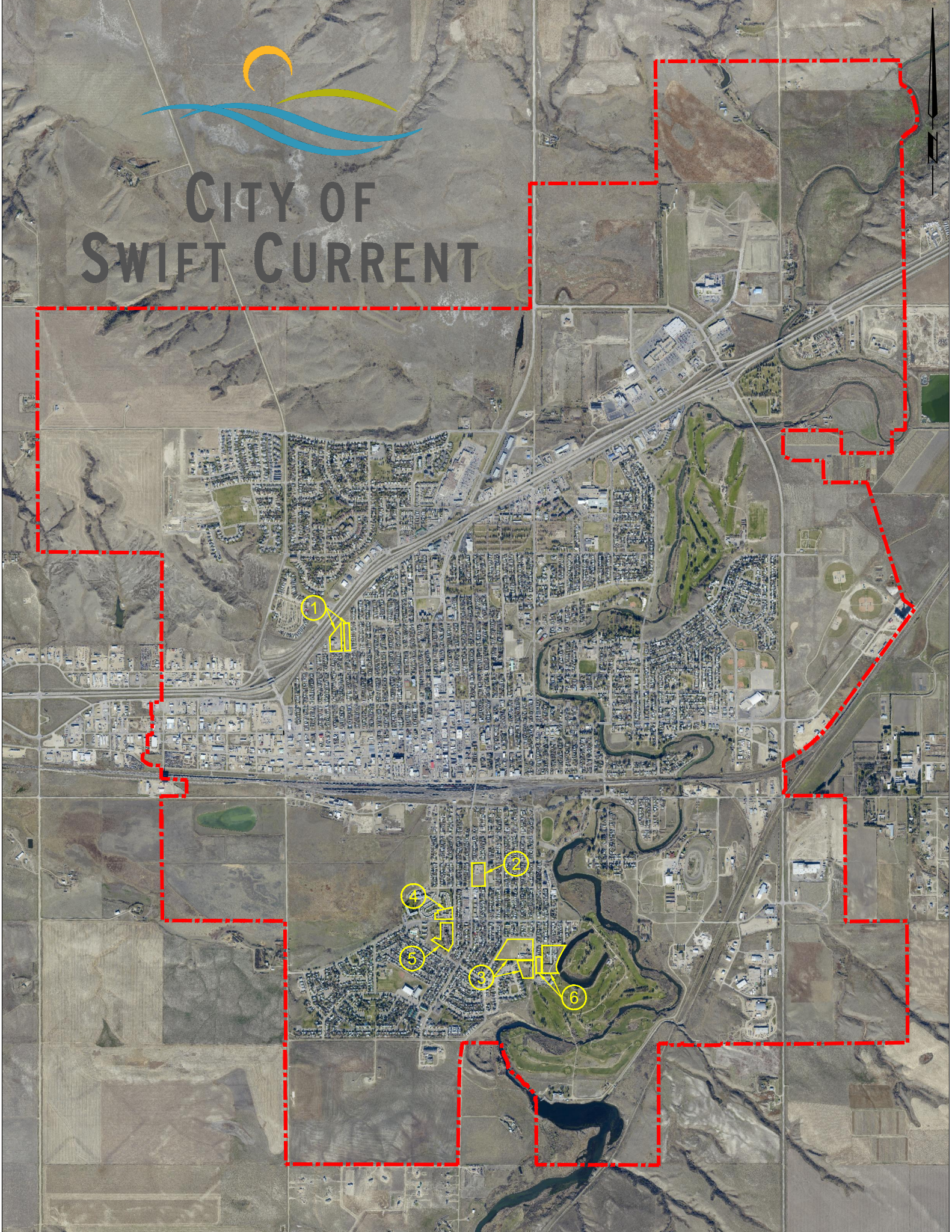


# C Appendix C - Identified Infill Sites





# CITY OF SWIFT CURRENT

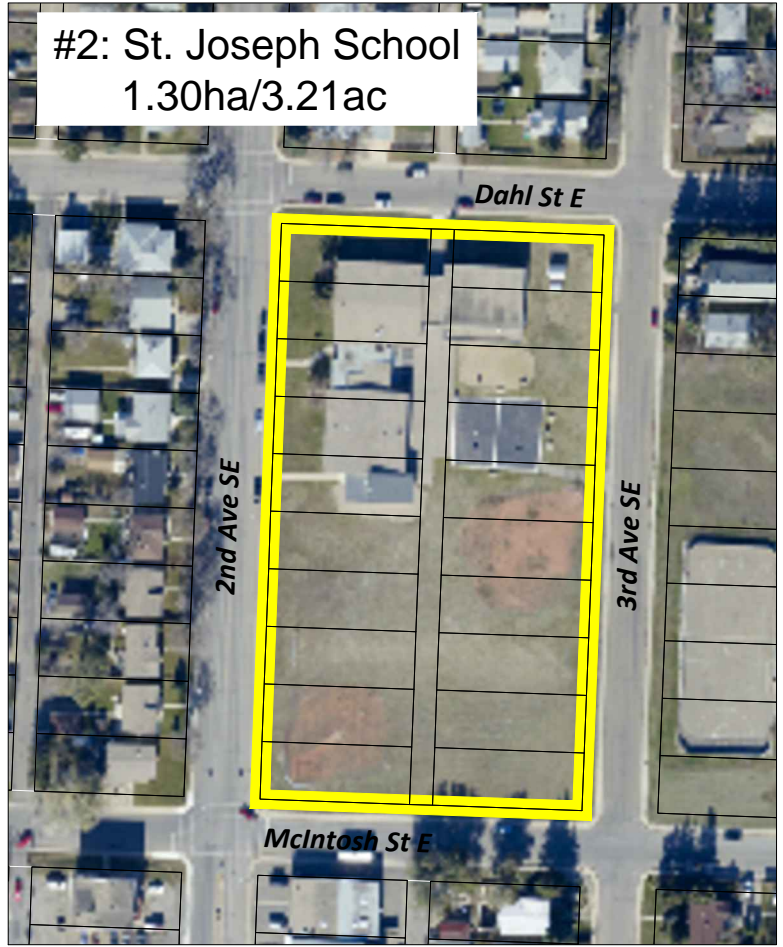




#1: St. Patrick School  
1.06ha/2.63ac (total)



#2: St. Joseph School  
1.30ha/3.21ac



Aberdeen St

#3: Ecole Oman School  
2.83ha/6.99ac

#3: Kin School  
0.98ha/2.42ac

