

INFORMATION SHEET

2019 Ontario Renovates Multi-Residential Rental Unit Program

Ontario Renovates Program Development Officer 519-255-5200 Ext. 5349

Disclaimer: Details contained herein are for informational purposes only, and are not to be relied upon as a comprehensive or precise representation of the program, its terms and conditions or eligibility rules.

Please read carefully before you decide to apply for a loan under the Ontario Renovates Program.

General Information

The Multi-Residential Rental Unit Program is intended to assist Landlords of eligible affordable rental buildings to:

- Rehabilitate affordable units that require essential repairs, and/or
- Modify affordable units to increase accessibility

For the purposes of this Ontario Renovates Multi-Residential Rental Unit Program a Multi-Residential Rental Unit means one dwelling with a minimum of three rental units.

Applications will be accepted Monday, June 24, 2019 – Monday, July 22, 2019.

Buildings funded by any capital component of the Canada-Ontario Affordable Housing Program or previous Ontario Renovates funding are not eligible to receive current Ontario Renovates Multi-Residential Rental Unit Program funding.

The City of Windsor's initial role under the Program is, among other things, to invite applicants to apply, evaluate applications and select projects within funding limits. Funding is provided to approved applicants in the form of a 15 year forgivable loan registered on title. The total of all property mortgages and any other financing registered on title, plus the Ontario Renovates funding, cannot exceed 90% of the market value of the property, as determined by the assessed property value as shown on the MPAC Notice of Assessment or licensed qualified appraisal. For accessibility repair costs up to the first \$5,000 per unit may be in the form of a grant not a loan and does not require repayment. The amount of funding per rental unit may be up to a maximum of \$50,000, but the average funding of all applications under the program cannot exceed \$25,000 per unit. Priority consideration will be provided to applications that do not exceed the required program average of \$25,000 per unit.

Priority consideration will be given to applications that identify the employment of apprentices. Successful proponents will be required to report on the initiatives/activities used to promote or support apprentices.

If the applicant complies with program rules at all times the loan is payment free, interest free and forgivable. The period of forgiveness for approved Multi-Residential Rental Unit projects is 15 years. Provided the approved applicant remains in compliance with program rules, the loan is forgiven at an equal rate per year over the forgiveness period. The earning of loan forgiveness begins on the date the project work passes final inspection.

The loan is repayable under certain circumstances. The full amount of the loan may be repayable if a lien, other charge or claim is made against the property. The full amount of the loan is repayable if information provided by the applicant is false or misrepresented or the applicant omits relevant information and/or the funding is used for purposes other than the approved use.

In other circumstances, the loan is repayable if the unit or project is sold or if rent levels are increased beyond allowable limits or the applicant no longer complies with the other program rules and requirements. The grant does not require repayment (unless the recipient is in breach of the program rules, criteria, and requirements, and/or the terms of the grant) and does not require registration on the title of the property.

Program Eligibility Criteria

1. Own multi-residential rental units as defined for affordable rental purposes in accordance with municipal requirements;
2. A fully completed Ontario Renovates Program Application Form with all required information, documentation and verification attachments is required;
3. Photocopy of 2 pieces of government issued photo identification from every owner of the property;
4. Verification that the applicant(s) is/are the registered owner(s) of the building and property for which program funds are requested;
5. The building is located in the City of Windsor or any municipality in the County of Essex;
6. The building is more than five years old;
7. Payments on all mortgages/charges and other financing on the property must be up-to-date and not in arrears;
8. Total of all property mortgages and any other financing registered on title, plus the Ontario Renovates funding, cannot exceed 90% of the market value of the property, as determined by the assessed property value as shown on the MPAC Notice of Assessment or licensed qualified appraisal;
9. Building insurance coverage must be in place for the full value of the building/property and the premium must be paid up-to-date and not in arrears;
10. Property tax account is paid up-to-date and not in arrears;

11. Applicant must sign and register a forgivable Loan Agreement on title and / or sign and submit the Letter of Agreement – Grant Confirmation to the Program Development Officer, as the case may be;
12. Any work started prior to registration of the Loan Agreement on title or in the case of an accessibility grant, receipt of the signed Letter of Agreement – Grant Confirmation by the Program Development Officer is not eligible for program funding;
13. The intended work must be eligible for program funds;
14. Work must commence within 90 days of the date that the loan agreement is registered on title. In the case of an accessibility grant, work must commence within 90 days of the date of the Letter of Agreement-Grant Confirmation. All approved project work must be completed within 12 months of commencement subject to the discretion of the City of Windsor as Service Manager;
15. A Letter of Compliance from the local Fire Department is required. Fire Safety work is eligible for program funds;
16. Quotes and estimates for the work must be from a qualified contractor and the relationship with the contractor must be at arms-length. “Arms length” means a transaction in which the buyers and sellers of a product or service act independently and have no relationship to each other. The concept of an arm's length transaction is intended to facilitate a prudent use of public funds and ensure that the parties in the transaction are acting in their own self-interest and are not subject to any pressure or undue influence from the other party;
17. The approved applicant must retain and submit copies of all financial records (including invoices and proof of payment) for reporting and audit purposes;
18. Permits and final inspections must be obtained for all work where applicable and all work must be in accordance with applicable building and fire safety rules and regulations, including but not limited to zoning and municipal requirements;
19. Approved applicants must maintain rents at or below Windsor Essex Maximum Market Rents – Ontario Renovates approved by the City of Windsor as Service Manager and adhere to all other program requirements, rules and timelines throughout the process and during the 15 year forgivable loan period.
20. An owner occupied unit(s) is not eligible for Program funds.

Windsor Essex Maximum Market Rents - Ontario Renovates

The current average market rents for the purposes of the program are provided in Table 1 below.

Table 1. 2018 Windsor Essex Maximum Market Rents - Ontario Renovates

Item		Bachelor \$	1 Bedroom \$	2 Bedroom \$	3 Bedroom \$	4+ Bedroom \$
Maximum Apartment Market Rent – Includes Utilities	Windsor/Essex County	608	888	1111	1262	1422
	Amherstburg	608	888	1215	1388	1549

Note: 2019 Windsor Essex Maximum Market Rents will be provided when available

ABOUT INSPECTIONS

An inspection by the local Building and Fire Department will be required. The results of the inspection may remain on the record of your building and/or units with the local Building and Fire Departments. It is possible that the Ontario Renovates funding may not be enough to pay for all the work mandated by the local Building and Fire departments. In this case, you may be responsible to complete certain work at your own expense prior to the release of any approved Ontario Renovates funds.

It is also important to note if the cost of the work described in the Inspection Reports is higher than the amount you requested on your application but lower than the maximum amounts allowed under the program, requests for additional funds will be reviewed on a case-by case basis in accordance with program guidelines and funding limits. There is no guarantee a request for a higher amount will be approved.

General Eligible Project Work and Costs

Any work started prior to registration of the Loan Agreement on title or in the case of an accessibility grant, receipt of the signed Letter of Agreement-Grant Confirmation by the Program Development Officer, is not eligible for program funding. Applicants must obtain the necessary permits, approvals and final inspections for all work. Eligible work under the Program may include the following activities:

- Eligible work includes repair of urgent and critical defects; major repairs and rehabilitation required to make a unit safe while improving energy efficiency; all work is subject to zoning and required municipal approvals;
- Modifications to increase accessibility related to housing and reasonably related to an occupant's disability including, but not limited to, permanent installations of ramps, handrails, chair and bath lifts, height adjustments to countertops, and cues for doorbells/fire alarms.

Other eligible costs include labour and applicable taxes, building permits, legal fees, certificates, appraisal fees, inspection fees, drawing and specification and any other costs that the City of Windsor deems reasonable and that are agreed to by the Ministry of Municipal Affairs and Housing.

Ontario Renovates strongly encourages the use of energy-saving products or systems for the required repairs or rehabilitation.

Ineligible Project Type

The following project types are not eligible for Ontario Renovates funding:

- Retirement Homes, Long-Term Care Home (including nursing homes), and crisis care facilities.
- Units not subject to the Residential Tenancies Act, 2006.
- Projects that received funding under Affordable Housing Program (AHP 2005), Affordable Housing Program Extension (AHP 2009) – Rental and Supportive, Investment in Affordable Housing (IAH), Investment in Affordable Housing Extension (IAH-E) – Homeownership & Rental Housing.
- Social Housing units as defined under the Housing Services Act, 2011.

VERY IMPORTANT INFORMATION

1. Applicants are not approved for any program funds solely on the basis of submitting an application or other information. All applicants are cautioned not to rely on Ontario Renovates program funds unless and until they receive a Letter of Final Approval confirming the application has been approved for program funds.
2. Any work started prior to registration of the Loan Agreement on title or in the case of an accessibility grant, receipt of the signed Letter of Agreement-Grant Confirmation by the Program Development Officer is not eligible for program funding.
3. Work that may be covered by an insurance policy or warranty period is not eligible for program funds.
4. If your application is approved, a Funding Schedule detailing the milestone activities, frequency and amount of funds to be released will form part of the loan agreement. The Funding Schedule will include a minimum 10% holdback payment(s) to be released after the lien period has expired and there are no liens registered against the property.
5. Program funds cannot be used for deposits to contractors.
6. The proponent is prepared and has the capacity to fund and carry project costs with funds other than Program funds, until such time that Program funds are advanced to the Proponent.
7. Applicants are cautioned not to sign any agreement or contract with a contractor prior to registration of the Loan Agreement on title or in the case of an accessibility grant, receipt of the signed Letter of Agreement – Grant Confirmation by the Program Development Officer.
8. Any and all contracts for the work are the responsibility of the applicant(s). The City of Windsor is not responsible for or bound in any way by any third party contracts.
9. If invoices exceed the approved funding amount, the property owner is responsible to pay the difference. In cases where the Ontario Renovates funding is insufficient to pay for all the work listed in the Inspection Report, the property owner(s) is responsible to complete the work that exceeds the program funding amount at their own expense prior to accessing program funds.

Ontario Renovates ► 6 Process Steps

Delivery of the 2019 Ontario Renovates Multi-Residential Rental Unit Program is administered by a Program Development Officer. The delivery of any program requires a process. Implementation of this program has 6 steps:

- Step 1** Submit Completed Application and Supporting Documents to the Program Development Officer
- Step 2** Evaluation Committee Evaluates Eligible Applications
- Step 3** Program Development Officer sends Letter of Conditional Approval to Applicant(s)
- Step 4** Program Development Officer reviews inspections and quotes
- Step 5** Program Development Officer sends Letter of Final Approval to Applicant(s)
- Step 6** Applicant's Legal Representative Registers Loan Agreement on Title

Description of Each Step

Step 1 Submit Completed Application and Supporting Documents to the Program Development Officer June 24 through July 22, 2019

Applicants must submit the following:

- a) A fully completed Ontario Renovates Application Form with all required information, documentation and verification attachments;
- b) Verification that the applicant(s) is/are the registered owner(s) of the property for which program funds are requested;
- c) Photocopy of 2 pieces of government issued photo identification from every owner of the property;
- d) Verification of the market value of the building and property as determined by the MPAC assessed value or by a licensed qualified appraiser;
- e) Verification that payments on all mortgages/charges and other financing on the property is/are up-to-date and not in arrears;
- f) Verification that the total of all property mortgages and any other financing registered on title, inclusive of the requested Ontario Renovates funding, does not exceed 90% of the market value of the property, as determined by the assessed property value as shown on the MPAC Notice of Assessment or licensed qualified appraisal;

- g) A Certificate of Insurance and verification that insurance coverage is in place for the full value of the building/property and the premium is paid up-to-date and not in arrears;
- h) Verification the property tax account is paid up-to-date and not in arrears;
- i) Verification the building is more than five years old.

Step 2 Evaluation Committee Evaluates Applications

- a) Applications will be evaluated in accordance with the evaluation form (Appendix A). The evaluation will be conducted by an evaluation committee, although others, including City staff and advisors, may be asked to review the applications as deemed appropriate;
- b) Certain application criteria will be evaluated as pass/fail in Section 2 of Appendix A. If the criteria for an application to pass is not met, the application will not proceed to Section 3 of the evaluation component;
- c) Evaluation committee evaluates the applications that have passed Section 2: Pass/Fail Criteria (Appendix A);
- d) The evaluation committee may request to meet with an applicant. The nature and length of such meeting will be determined by the evaluation committee in consultation with the applicant. The evaluation committee may convene more than one meeting with an applicant. The fact that the evaluation committee decides to meet with one applicant does not in any way oblige it to meet with any other applicant(s);
- e) An applicant's submission or the evaluation committee's evaluation of any submission does not obligate the evaluation committee to identify the applicant as successful or to proceed further with an application. The evaluation committee may, in its sole and unfettered discretion, and for any or no reason, reject any or all applications received;
- f) Applicants shall bear all costs and expenses in any way related to the preparation, submission or progress of this application, including but not limited to the gathering of information, attending or participating in any interviews or site meetings, the preparation of the application or responding to any questions or clarifications or requests for additional information made by the evaluation committee;
- g) The applicant(s) with the highest rankings following the completion of the evaluation shall be identified as the successful applicant(s), subject to the availability of Program funds. The applicant will be notified by letter and the application will proceed to Step 3;
- h) The applicant(s) not achieving the highest rankings following the completion of the evaluation shall be identified as unsuccessful applicant(s) and will be notified by letter. End of process;
- i) The evaluation committee in its sole and unfettered discretion will recommend projects to the Ministry of Municipal Affairs and Housing (MMAH) having regard to Ontario Renovates Program criteria, identified local need, amount of available funding, the type, number and location of proposed projects, and distribution of projects and funds between the City and County of Essex.

Step 3 Program Development Officer sends Letter of Conditional Approval to Applicant

- a) Program Development Officer sends Letter of Conditional Approval to the successful applicant(s) confirming the applicant(s) is/are eligible and the application is conditionally approved with a stated amount of maximum funding subject to:
- a. Applicant obtaining and submitting a copy of the necessary confirmation of the prescribed work, any required inspection(s) and a description of the work to at least two arms-length, qualified contractors and obtain at least two quotes.

The contractors' quotes must:

- * include a copy of the contractor's WSIB Clearance Certificate;
 - * include the contractor's HST number;
 - * a copy of the contractor's general liability insurance certificate;
 - * match the work description on the inspection reports;
 - * include the cost to obtain any permits or inspections;
 - * clearly indicate the cost of HST separately or clearly indicate that HST is included in the price;
- b. Applicant selecting their preferred quote and contractor;
 - c. Applicant submitting to the Program Development Officer the following information on or before the date indicated in the Letter of Conditional Approval:
 - * a copy of the inspection(s) report(s);
 - * a copy of at least two quotes for the prescribed work described in the inspection report(s) in accordance with the above requirements;
 - * the Applicant's confirmation of the quote and which contractor the applicant has chosen to complete the work;
 - d. Applicant adhering to all program requirements, rules and timelines throughout the process and during the 15 year loan forgiveness period;
 - e. Work must commence within 90 days of the date that the loan agreement is registered on title. In the case of an accessibility grant, work must commence within 90 days of the date of the Letter of Agreement-Grant Confirmation. All approved project work must be completed within 12 months of commencement subject to the discretion of the City of Windsor as Service Manager.

Step 4 Program Development Officer Reviews Inspections and Quotes

- a) Program Development Officer reviews the inspections and quotes to ensure the quotes:
 - i) contain all necessary information;
 - ii) address the work described in the inspection report(s);
 - iii) are consistent with the conditional maximum approved amount;
- b) If the Program Development Officer is satisfied that the inspection and quotes meet program requirements the application will proceed to Step 5.

Step 5 Program Development Officer sends Letter of Final Approval to Applicant or in the case of an Accessibility Grant, Letter of Agreement–Grant Confirmation to the Applicant

In the case of Loan Agreements:

- a) Program Development Officer sends Letter of Final Approval to the applicant and a completed Loan Agreement to the applicant's legal representative for signature and registration on title;
- b) Final Letter of Approval is conditional among other things that:
 - i) Loan Agreement be registered on title in accordance with Step 6;
 - ii) Work must commence within 90 days of the date that the loan agreement is registered on title. In the case of an accessibility grant, work must commence within 90 days of the date of the Letter of Agreement-Grant Confirmation. All approved project work must be completed within 12 months of commencement subject to the discretion of the City of Windsor as Service Manager;
 - iii) Applicant obtains all necessary permits and approvals for the work.

In the case of Letter of Agreement–Grant Confirmation:

- a) Program Development Officer sends Letter of Agreement–Grant Confirmation containing the terms and conditions of the grant for review and signature by the applicant;
- b) Final approval remains conditional among other things that:
 - i) Applicant submits signed copy of the Letter of Agreement–Grant Confirmation to the Program Development Officer;
 - ii) Work must commence within 90 days of the date that the loan agreement is registered on title. In the case of an accessibility grant, work must commence within 90 days of the date of the Letter of Agreement-Grant Confirmation. All approved project work must be completed within 12 months of commencement subject to the discretion of the City of Windsor as Service Manager;
 - iii) Applicant obtains all necessary permits and approvals for the work.

Step 6 Applicant's Legal Representative Registers Loan Agreement on Title

Applicant arranges for its legal representative to register the Loan Agreement on title and notifies Program Development Officer that title registration is complete.

How to submit a completed application?

Completed application **with all required information, documentation and verification attachments** must be submitted June 24, 2019 through July 22, 2019 at:

City of Windsor, 400 City Hall Square East, 3rd Floor, Room 301
Community Development and Health Services Business Office, Windsor, ON N9A 6L7

Attention: Ontario Renovates, Housing Services, Program Development Officer

Hours: 8:30 a.m. – 4:30 p.m. Monday through Friday – excluding holidays