CMHC Housing Solutions
The National Housing Strategy Toolbox
Two New Websites

www.placetocallhome.ca

www.cmhc-nhs.ca
A Vision for Inclusive Housing

Housing is more than just a roof over our heads

People  Communities  Partnerships
Housing Continuum
SOCIAL OUTCOMES

Minimum mandatory requirements

Financial viability  Affordability  Energy efficiency  Accessibility
Criteria

5+ new affordable units, renovations or retrofits

10 or 20 years min “affordable”

Access to public transit

Financially viable with reduced ongoing gov’t subsidy

Measures for resource efficiency

Accessibility features
What is affordability?
Continuum of housing solutions

FUNDING SOLUTIONS
- Seed Funding
- Co-Investment Fund
- Innovation Fund
- Federal Lands Initiative
- Rental Construction Financing

MORTGAGE LOAN INSURANCE
- Flexibilities for affordable housing
- Mortgage loan insurance for market properties
### Phases of development and CMHC product offerings

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<th>Phases of development</th>
<th>Affordable Housing Solutions</th>
<th>Commercial Products</th>
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<td>Pre-development</td>
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<td>Rent up/stabilization</td>
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<td>Federal Lands Initiative</td>
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<td>Rental Construction Financing initiative (loan + insurance)</td>
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<tr>
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<td>Mortgage Loan Insurance for Affordable Housing</td>
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<tr>
<td></td>
<td>Mortgage Loan Insurance for Market Rental Housing</td>
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## Project types and CMHC product offerings

<table>
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<tr>
<th>Project Type</th>
<th>Seed Funding Co-Investment Innovation Fund Lands</th>
<th>Rental Construction Financing initiative</th>
<th>Affordable Housing MLI - Flexibilities</th>
<th>Commercial MLI</th>
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<tr>
<td>Standard apartment</td>
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<tr>
<td>Student housing</td>
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<tr>
<td>Single room occupancy (SRO) housing</td>
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<tr>
<td>Retirement housing (basic &amp; assisted needs)</td>
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<tr>
<td>Supportive housing</td>
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CMHC Offerings
Overview

**New construction stream**
- A contribution of up to $150K and/or
- An interest-free loan of up to $350K

**Preservation stream**
- Up to $50K per community housing project
- A contribution of up to $75K in some cases

**Non-repayable contributions**
- And/or

**Interest free loans**
### Eligibility

**New construction stream**
- Community housing providers
- Municipalities, provinces & territories
- Indigenous governments & organizations
- Private sector groups

**Preservation stream**
- Those previously under an operating agreement or transferred under a Social Housing Agreement
Benefits

New construction stream

- Pre-development activities for new affordable housing

Preservation stream

- Preservation activities for existing housing
National Housing Co-Investment Fund
National Housing Co-Investment Fund

CREATE 60,000 NEW UNITS

CREATE OR REPAIR 4,000 SHELTER SPACES FOR VICTIMS OF FAMILY VIOLENCE

CREATE 2,400 NEW AFFORDABLE UNITS FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES

CREATE 7,000 NEW AFFORDABLE UNITS FOR SENIORS

REPAIR 240,000 EXISTING UNITS

CREATE 2,400 NEW AFFORDABLE UNITS FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES
Funding – New Construction

$5.19 BILLION
AVAILABLE THROUGH LOW-COST REPAYABLE LOANS OVER 10 YEARS

$2.26 BILLION
AVAILABLE THROUGH CAPITAL CONTRIBUTIONS OVER 10 YEARS

Combination of both to offset higher costs of meeting or exceeding minimum requirements or where cash flow is insufficient to support additional financing
Eligibility

Groups

- Community housing providers (public, private, non-profit, rental, co-op)
- Municipalities, provinces & territories
- Indigenous governments & organizations
- Private sector
Eligibility

Projects

- Urban Indigenous community housing
- Mixed-use market and/or affordable rental housing
- New construction and/or conversion from a non-residential use to affordable multi-unit housing
- Shelters
- Transitional and supportive housing
Project requirements

- Have at least 5 units or beds.
- Ensure primary use is residential.
- Meet minimum requirements for: Partnerships, financial viability, affordability, energy efficiency, and accessibility.
## National Housing Co-Investment Fund

<table>
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<tr>
<th>Affordable</th>
<th>RENEWAL AND REPAIR</th>
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<td><strong>NEW</strong></td>
<td>30% of units must have rents at less than 80% of median market rents, for a minimum of 20 years</td>
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<tr>
<td><strong>Green</strong></td>
<td><strong>NEW</strong></td>
<td>At least 25% reduction in energy consumption and greenhouse gas emissions over national building and energy codes must be achieved</td>
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<tr>
<td><strong>Accessible</strong></td>
<td><strong>NEW</strong></td>
<td>20% of units must meet accessibility standards and projects must be barrier-free or have full universal design</td>
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Rental Construction Financing
Rental Construction Financing initiative

$3.75B
In low-cost loans to municipalities and housing providers for the construction of 14,000 new rental housing units in Canada

4-year initiative

$1M / 5 units
minimum loan amount, minimum units

CMHC insured from the onset
Eligible borrowers

- Municipalities
- Private sector developers and builders
- Non-profit housing providers
- Partnerships
Eligible projects

STANDARD APARTMENTS

Excludes niche-type housing such as retirement homes, single room occupancy and student housing
Minimum Eligibility requirements

SOCIAL OUTCOMES

- Financial viability
- Affordability
- Energy efficiency
- Accessibility

Borrowers must demonstrate an affordability commitment for a minimum of 10 years from first occupancy under the CMHC Loan.
Minimum Eligibility Requirement - Financial viability

✓ Borrowers must demonstrate their financial and operational ability to carry the project without ongoing operating subsidies.

✓ Borrowers must provide evidence of the financial viability of the proposed project itself, as well as their capacity to deal with development risks such as cost over-runs and delays in construction.

✓ Minimum DCR of 1.10 on the residential component and 1.40 on the non-residential component. Viability is assessed with an additional 100 bps shock above the indicative rate.

✓ Up to 100% loan to cost on the residential, up to 75% on the non-residential
## Minimum Eligibility requirements - Affordability

1. The total residential rental income must be at least 10% below its gross achievable residential rental income; and
   - **20%** of units with rents at or below **30%** of the median household income
   - Affordability maintained for at least 10 years

2. Proposal already approved under other government housing program
   - Programs/initiatives aimed at developing affordable rental housing
     (capital grants, concessions, expedited planning processing);
   - Affordability maintained for at least 10 years
Minimum Eligibility requirements - Energy efficiency

Minimum

Must achieve a minimum of a **15%** decrease in energy use and greenhouse gas emissions, relative to the 2015 model building codes (NECB or NBC)

Over and above

**Higher Prioritization**
for efficiency increases over and above the min. 15% decrease, with max points for net zero ready or equivalent performance

1. >15% / <25%
2. > 25% / <50%
3. >50%
4. Net Zero
Minimum Eligibility requirements - Accessibility

**Minimum eligibility considerations**

10% of units must meet or exceed the local accessibility requirements (municipality or province/territory) or accessibility requirements of the **2015 National Building Code**

Access to the project and to its common areas must be **barrier-free**

**Higher prioritization**

Project contains **adaptable units**, in addition to minimum 10% of unit accessible requirement.

Project contains units with **universal design**, in addition to minimum 10% of unit accessible requirement.
Benefits

- Offers low-cost loans during the riskiest phases of financing development (construction and stabilization/rent-up)
- Delivers financing features not available in the private market, such as fixed-rate construction/stabilization loans and mortgage loan insurance from the onset
- Stimulates rental housing construction sector
- Complements and is compatible with local affordable housing initiatives
- Incents projects for great social outcomes
56 Dundas Street, London by Yossie Lavie
56 Dundas Street, London
View of Subject Lands from Dundas Street
View of lands on the south side of Dundas Street, across from Subject Lands
Affordable Housing Innovation Fund
Innovation Fund

$200M FUND

Innovation

Is defined as design and financing models customized to overcome barriers and lower the costs and risks of housing projects.
Innovation

Incremental

“new and improved” reflecting small, yet meaningful improvements in existing approach

Breakthrough

meaningful change resulting in a demonstrably new approach, producing a substantial competitive edge

Transformational

creates a new model that eliminates or totally transforms existing approaches
Objectives

- Encourage new funding models and innovative building techniques in the affordable housing sector to increase accessibility and lower the costs and risks associated with housing projects.
- Develop new construction projects and repair and renew existing projects.
- Create up to 4,000 new affordable units over 5 years.
- Reduce the number of Canadians living in housing need and reliance on long-term government subsidies.
Project Requirements

- **Innovative design or financing models**
  Overcome barriers and lower costs and risks associated with housing projects.

- **Affordable units**
  Based on municipal or provincial criteria or CMHC’s assessment.

- **Affordability maintained for at least 10 years**
First announced project

- Vancouver Affordable Housing Agency.
- 40 units of movable modular housing on vacant city-owned land.
- When site repurposed, units moved to other vacant city-owned site.
Construction grads breathe new life into shipping containers
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Construction grads breathe new life into shipping containers
Rural Communities Benefit From Innovative Housing Model

YWCA Banff Courtyard Project
Sustainable Housing Redefined

YWCA Banff has been the leading provider of managed, affordable housing in the Banff community for over 25 years.

The YWCA Banff Courtyard Project is an opportunity to expand the inventory of affordable rental housing in Banff. The 30 unit, 3-story cost effective project will meet net-zero targets for energy efficiency and provide affordable self-contained rental housing for up to 75 residents. The Courtyard will be ideal for women, new and extended families, individuals, and people with accessibility needs.

Our goal is to create a thriving neighborhood by offering suitable, affordable housing and relevant supports that together foster a sense of belonging, security and community pride.

Estimated Total Project Cost:
$9 million (including YWCA contribution of land)

YWCA Contribution of Land:
$2 million

Estimated Timeline for Occupancy
December 31, 2019

Project Highlights
30 self-contained units (studio, 1-, 2- and 4-bedroom)
Shipping container modular construction
Net-zero energy efficiency
On-site management and supports for residents
Barrier-free units

For More Information Contact:
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403.760.3214
ywcaabangff.ca

YWCA Banff is a community-based, charitable organization with a history of 100 years in Banff National Park.

- Programs and services support people facing social, economic and health challenges, as well as providing education and prevention programming for youth and our community. Our team supports networking for information and referrals around community resources, support, and housing.
- Residents: Permanent, long-term affordable housing for 110 people. Facilities include single, one-bedroom units with shared kitchens and bathrooms. Rental rates are approximately 30% below market rates.
- Bow Valley Women’s Emergency Shelter - A small but crucial program in the Bow Valley, the emergency shelter facilities and supports for people facing domestic violence.
- Bridge House - Provides transitional living for families moving from shelter into a more permanent housing situation, with supports to access local resources, networks, employment, and permanent housing.
- Homeless to Housing (HTH) - Provides assistance to people who need community-developed strategies to support residents who require short-term housing.
- YWCA Banff Hotel - Proceeds from our social enterprise hotel are reinvested in community programs, housing, and day-to-day operations.
Rural Communities Benefit From Innovative Housing Model
Thank You

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