

Background

The Ontario Renovates – Secondary Suites sub-component of the Ontario Priorities Housing Initiative (OPHI), funded by the Ministry of Municipal Affairs and Housing (MMAH), is intended to increase the supply of affordable rental housing for low-income households in Leeds and Grenville, including the separated municipalities of the City of Brockville, Town of Gananoque, or Town of Prescott. Funding is provided in the form of a 15-year, interest-free forgivable loan to homeowners to create a secondary suite **to be rented**, on the property of their primary residence. The maximum eligible funding is based on the cost of approved work items and HST, payable up to \$25,000.

A tandem secondary suites program for small landlords is available for applicants that own rental properties; see the Leeds and Grenville Landlord Secondary Suites Program Fact Sheet and Application at www.leedsgrenville.com for further details.

Program Information

1. Funding is intended to create a new secondary suite; renovations to an *existing* secondary suite are not eligible for funding.
2. The maximum funding for the creation of a secondary suite is in the form of an interest-free, forgivable loan. The period of loan forgiveness is 15 years, amortized equally over the 15-year period from the project completion date.
 - a) Project funding requests should not exceed \$25,000.00.
3. Only one (1) secondary suite unit may be funded per applicant/per property.
4. Eligible **home repairs** include the following activities:
 - a) Major repairs required to create a secondary suite. Examples include, but are not limited to:
 - plumbing
 - electrical
 - framing and insulation
 - drywall/fire separation
 - doors and windows
 - kitchen/bathroom fixtures and cupboards
 - b) Soft costs, such as:
 - applicable taxes
 - building permits
 - legal Fees
 - certificates
 - appraisal fees
 - inspection fees
 - drawings and specifications
 - other project-related soft costs as pre-approved
 - c) Repairs or modifications already started or completed prior to project approval are **not eligible** for funding.
 - d) Cosmetic changes such as driveway paving, landscaping, and routine maintenance are **not** eligible for secondary suites funding.

5. Maximum funding for accessibility repairs is \$5,000.00, which is in the form of a grant and repayment is **not** required. Accessibility funding is intended to reduce physical barriers related to housing and reasonably related to a disability, which may include, but is not limited to:
 - ramps
 - handrails, grab bars
 - chair and bath lifts
 - height adjustments to countertops and cupboards
 - cues for doorbells/fire alarms
6. Therapeutic devices are not considered to be an accessibility repair, and are also not eligible.
7. The homeowner is responsible to pay all costs for repairs/modifications that exceed the funding approved by the United Counties of Leeds and Grenville (Counties). The homeowners must provide verification of project financing for amounts in excess of approved funding.
8. Secondary suite funding for the OPHI unit can be stacked with Canada-Ontario Affordable Housing Program (AHP), Investment in Affordable Housing Program (IAH), Investment in Affordable Housing Program (2014 Extension) funding, and National Housing Co-Investment Funding. Where a property received another type of government funding (e.g. IAH-E Home Ownership funding), the property may also receive OPHI Secondary Suite funding.
9. The following projects are **not** eligible for secondary suite funding:
 - Retirement homes, long-term care homes (including nursing homes), and/or crisis care facilities.
 - Units not subject to the *Residential Tenancies Act, 2006*.
 - Units that are not located within the property of the primary residence of the applicant.
10. Rents charged during the Affordability Period (i.e. fifteen years), cannot exceed 80% of the Average Market Rent as determined and communicated annually by the United Counties of Leeds and Grenville, Community and Social Services Division. The maximum unit rents in 2024 are per the following table:

2024 Maximum Rents for Secondary Suites				
Bachelor	One Bedroom	Two Bedroom	Three Bedroom	Four + Bedroom
\$846	\$990	\$1157	\$1374	\$1,878

11. Funding for this program expires March 31, 2028, or such earlier date as may be determined by the MMAH.

Eligibility of Applicants (i.e. the homeowner)

1. Applicants must own the project property, which is their **primary residence** for the duration of the affordability period (i.e. 15 years).
2. Applicant’s household income must not exceed \$97,000 to be eligible.
3. Applicant’s household assets are not subject to asset limits.
4. The applicant cannot be in the process of applying for bankruptcy or have an active bankruptcy filed.

Project Eligibility

1. The property must be located within Leeds and Grenville, including the separated municipalities of the City of Brockville, Town of Prescott, or Town of Gananoque.
2. The project must be to create a secondary suite or garden suite within Leeds and Grenville, including the separated municipalities of the City of Brockville, Town of Prescott, or Town of Gananoque.
3. The project must be to create one (1) secondary suite or garden suite. The proposed secondary suite must be a self-contained unit with a private kitchen, bathroom facilities, and sleeping areas, within an existing family home, or on the property lot of a single family home.
4. At the time of application, projects must already have design drawings and building permits in place, or where a building permit is not required, written confirmation that the secondary suite meets all municipal requirements from the municipality in which the property is located.
5. A minimum of one written quote from a certified, insured, arm's length contractor must be provided. If the homeowner performs the work themselves, the cost of materials for the project will be considered, but not labour.
6. Units must be modest relative to the community norms in terms of floor space and amenities.
7. The Counties shall provide a fully-signed promissory note agreement to the homeowner outlining the scope of work, funding commitment, and the roles and responsibilities of the homeowner and the Counties.
8. Construction must commence within 120 days of written project approval from the Counties. Construction must be completed, including a valid occupancy permit, within 24 months of the date of the promissory note agreement.
9. Repairs or modifications carried out on the property prior to approval are **not** eligible for secondary suites funding. Costs for building permits and site drawings required for the proposed project are eligible for funding where the project has been approved.
10. Property taxes and mortgage payments for the unit must be verified and up to date.
11. The total of all mortgages and any other encumbrances registered on title, plus the program funding, cannot exceed the market value of the home.
12. The property must be insured for the full value of the home or project, and property insurance must be verified as paid up to date.
13. There cannot be any municipal or provincial work orders on the project property.

Tenant Selection and Eligibility

1. The homeowner will select the low income tenant that moves into the secondary suite unit. Prior to move-in, the homeowner/landlord will refer the prospective tenant to have their eligibility to rent the unit determined by the Social Housing Registry. The tenant household must meet the following criteria:
 - At least one member of the household is 16 years of age or older, and able to live independently.
 - Each member of the household is a Canadian citizen; or has made an application for status as a permanent resident; or has made a claim for refugee protection, and no removal order has become enforceable against any member of the household.

- No member of the household owes arrears to any social housing provider in Ontario.
- No member of the household has been convicted of misrepresenting their income for the purpose of receiving rent-geared-to-income assistance in the past two years.
- Household income is at or below the 60th income percentile for Leeds and Grenville, which is currently \$97,000.
- Household assets are below the Leeds Grenville Social Housing Asset Limit of \$50,000.

Note: if the prospective tenant is known at time of Secondary Suite application, tenant eligibility will be reviewed and determined as part of the application approval process.

Disbursement of Funds

1. Twenty-five percent (25%) of the total project costs will be paid directly to the homeowner according to the following construction milestones:
 - Pass of plumbing inspection (25%)
 - Pass of electrical inspection (25%)
 - Pass of building inspection (25%)
 - Pass of final inspection and occupancy (25%)
2. Site visits will be conducted by Counties staff to assess the project, progress, and compliance with the promissory note agreement.

Applications are accepted on a first-complete, first-approved basis, subject to funding availability.

For more information, or to apply for OPHI Secondary Suites Program funding, please contact:

United Counties of Leeds and Grenville
Community and Social Services Division
25 Central Avenue West, Suite 200
Brockville, ON K6V 4N6
613-342-3840 or 1-800-267-8146, extension 2401