



## Ontario Priorities Housing Initiative (OPHI)

### Frequently Asked Questions

Please consult the RFP, Program Guidelines, and Appendices for complete details.

#### 1) What is the purpose of the Ontario Priorities Housing Initiative (OPHI)?

The Ontario Priorities Housing Initiative (OPHI) is part of the Ontario's Community Housing Renewal Strategy. The purpose of the initiative is to increase supply and to provide an appropriate mix of affordable and adequate housing; to improve access to affordable housing and supports that meet their needs to achieve housing stability; and to improve efficiency of the community housing system to ensure value for money and long-term sustainability. The portion of the OPHI funding is specifically designed to be administered by Indigenous (First Nation, Status or Non Status, Métis or Inuit) organizations for Indigenous peoples in need of housing and support services. OPHI 2021-22 is comprised of three funding streams: OPHI Rent Supplement Funding, OPHI Housing Support Services and Rental Housing Funding.

#### 2) How can OPHI Rental Housing Component Funding be used?

OPHI Rental Housing Funding can be used to increase the supply of community rental housing for off-reserve, Indigenous (First Nation, Status or Non Status, Métis or Inuit) households on, or eligible to be on, social housing waiting lists and to ensure that safe, adequate and affordable rental housing is available to Ontario Households.

Eligible capital projects must be one of the following:

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

See OPHI Guidelines Page 14 to see Projects that are ineligible.

#### 3) What is a Rent Supplement and How Can it Be Used?

A Rent Supplement is a subsidy paid to the landlord on behalf of a household in need of rental assistance. Service Providers must determine amounts to be paid to landlords on behalf of each household. An example of how this can be calculated will be shown in Schedule 6 of the RFP documents.

**4) What is the term of OPHI Rent Supplement Funding?**

Rental Supplement Funding will be available to Service Providers from April 1, 2021 to March 31, 2022. Service Providers must spend allocated funds within each fiscal year and cannot carry-over funds to following years.

**5) Who can apply for OPHI Rental Housing Funding?**

Off-reserve Indigenous (First Nation, Status or Non Status, Métis or Inuit) non-profit corporations with a mandate to serve Indigenous peoples. Partnerships between Indigenous non-profits and the private sector are eligible, but projects proposed by private sector proponents without non-profit partnership are ineligible.

**6) For Rental Housing Funding, is there a maximum number of units that will be considered for funding? If so, what is it?**

No. There is no limit to the number of units you can develop, however Services Providers will only receive up to 75% of the pro-rated shared of the capital costs of the affordable units, less any HST rebates. The minimum Rental Housing Funding is \$1,998,714 with the potential to increase to a maximum of \$2,389,849 should no requests for Rent Supplements and Housing Support Services be made and these funds are reallocated to Rental Housing Funding..

**7) Is there a maximum amount of allowable funds per unit?**

No. The Rental Housing Funding does not determine a maximum allowable capital cost per unit. Service Providers are encouraged to consider factors such as unit bedroom size, unit type (e.g. Low-rise apartments, high rise apartment, townhouse), or geographic location of the project when determining project funding amounts. The Ministry of Municipal Affairs and Housing (MMAH) will only approve projects that are determined to provide value for money and are modes relative to other housing in the community. Refer to Program Guidelines Funding Page 14.

**8) For Rent Supplement Funding, is there a maximum number of Rent Supplements that will be considered for funding? If so, what is it?**

No, but the total Rent Supplement funding is \$300,000 for 2021-22. When determining which Service Providers will receive Rent Supplement Funding, OAHS's review process will consider need, type and delivery of service, and capacity of the Service Provider.

**9) For Rental Housing Funding, is there a minimum number of units per project that will be considered for funding? If so, what is it?**

No.

**10) For Rent Supplement Funding, is there a minimum request that will be considered for funding? If so, what is it?**

No.

**11) Can I apply for OPHI Rent Supplement Funding, OPHI Housing Support Services and OPHI Rental Housing Funding at the same time?**

Yes, if you are an Indigenous (First Nation, Status or Non Status, Métis or Inuit) non-profit, you can apply to all funding streams. Should your proposal include Rent Supplement Funding or Housing Support Services for a development constructed using OPHI Rental Housing Funding, you cannot submit for your Rent Supplement or Housing Support Services Funding prior to occupancy permits on the new or rehabilitated development.

**12) Can I apply for OPHI Rent Supplement Funding for pre-existing affordable and/or market rent units?**

Yes, refer to the OPHI Program Guidelines.

**13) How will OPHI Rent Supplement Funding be released?**

A Partnership Agreement will be signed by both the Service Provider and OAHS. The MMAH of Municipal Affairs and Housing (MMAH) will release quarterly payments to OAHS and OAHS will release the Rent Supplement Funding immediately to the Service Providers, providing all reporting requirements were met from the Quarter prior.

**14) Who is eligible to receive a Rent Supplement?**

For the purposes of the Rental Assistance component, “household” is defined as any family unit or single individual renting either as self-contained unit or a room in shared accommodation. Households in receipt of social housing rent -geared-to-income subsidy or payments under any other rent support program are not eligible.

To be eligible for funding under the Rental Assistance component, households must be on, or be eligible to be on, social housing waiting lists and have household incomes that do not exceed the applicable household Income Limits in the annually amended Ontario Regulation 370/11 under the Housing Services Act, 2011. Attached as Schedule 10.

**15) Can I apply for the 25% contribution required for OPHI Rental Housing Funding through a financial institution or another lender?**

Yes, you can provide your 25% contribution into the project by either a cash contribution or in the form of a loan. Should you have a cash equity contribution, a motion from your Board of Directors must accompany your application which will include the total cash contribution your organization will make to cover the 25% contribution. Should you access a loan to cover the 25% contribution required, a letter from the financial institution must accompany your application that includes the total amount approved by the financial institution and must be a minimum of 25% of total development cost.

**16) If our Rental Housing Funding proposal is comprised of scattered acquisition/rehabilitation**

**project, how do we account for differences in purchase prices and renovation costs?**

Acquisition of rental buildings and where required, rehabilitation of developments that are in danger of being lost to the rental housing stock are eligible under this program. You may also submit a proposal to convert non-residential buildings or units to purpose-built rental buildings/units. If you are preparing an acquisition/rehabilitation proposal of this type then it is expected that your submission will be based on an average. Yes, some units will require more work and others less or none – if approved, it will depend what is available in the market but the project would still be constrained by the approved amount.

**17) Are pre-development funds available for capital projects?**

No. Pre-development funds are not available for OPHI. The Canadian Mortgage and Housing Corporation (CMHC) Affordable Housing Centre offers two initiatives to help with proposal development: Seed Funding Program and Proposal Development Funding (PDF). For more information on program guidelines and application forms, please see the attached links:

[http://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhoce\\_001.cfm](http://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhoce_001.cfm)

[http://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhoce\\_002.cfm](http://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce/afhoce_002.cfm)

**18) Is HST an eligible expense for Capital Development?**

The OPHI Rental Housing component will fund up to 75% of the pro-rated shared of the capital costs of the affordable units. Total capital costs include land, financing, hard (construction) and soft costs but less any HST rebates.

**19) Our capital project plans are very preliminary – how do we complete some of the detailed sections of the proposal?**

Development approval will be based on construction readiness, ability to meet the program’s eligibility criteria, and alignment with OAHS’ Program Delivery and Fiscal Plan. It is essential that all sections are completed in full and you can demonstrate that your project will be ready to start construction within 90 days of signing a Partnership Agreement.

**20) How will Rental Housing Funding be released?**

Rental Housing Funding will be provided using a payment process based on milestone payments. A 50% Milestone payment will be made upon confirmation of registration of security, a signed partnership agreement between OAHS and the Service Provider, and a construction agreement that contains a development schedule and payment schedule. A 40% Milestone payment will be made after confirmation of structural framing for new construction or 50% completion for acquisition and rehabilitation projects. A final 10% Milestone will be paid after confirmation of occupancy, submission of an Initial Occupancy Report including an updated capital cost statement in a form acceptable by the MMAH.

**21) Section 11 of Schedule 3 asked about the use of energy efficient features in building design and technology. Is it required that we incorporate this technology to make our project eligible?**

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One of the objectives of OPHI is to deliver a housing program that is designed with the goal of long-

term sustainability, including the provision of units that are high quality, energy efficient and low maintenance, using materials that are highly durable and resilient in the construction of the housing. It is not mandatory that you incorporate these suggestions to make your project eligible however, green and energy efficient technology will be prioritized.

**22) Are Administration fees an eligible submission for Rent Supplement, Housing Support Services or Capital Development budgets?**

No. Administration fees are not eligible expenses.

**23) What are the approval timelines?**

RFP Launch	August 19, 2020
RFP Closing	October 30, 2020
Independent Proposal Review Committee Meeting	December 2020
OAHS Board Meeting	TBA

**24) Will I be notified of the RFP outcome?**

A. Yes. All Service Providers will be notified subsequent to final approval by the OAHS Board and review by the MMAH.