



Niagara Renovates Program

FACT SHEET – SECONDARY SUITES 2015-2016

Secondary Suites

The Niagara Renovates Program is a program that funds the creation of Secondary Suites in single family homes. Secondary suite units must have modest floor space and amenities.

A Secondary Suite is defined as a self-contained, separate unit with sleeping, full kitchen and bath facilities and a separate entrance. The new unit must meet applicable zoning, building, fire and property standards.

Funding for Secondary Suites of up to \$25,000 is a fully forgivable loan which is written off at an equal amount over a 15 year period, provided the Owner complies with the conditions of the Letter of Agreement.

The loan amount includes a grant portion for accessibility modifications, if required, of up to \$5,000 that does not need to be repaid.

Eligibility

- To be eligible, the single family home must be valued at or below the *median* price of single-detached homes as per Canada Mortgage & Housing Corporation's (CMHC) *Housing Now – Housing Market Information (2015)*.

St. Catharines	\$320,000
Niagara Falls	\$378,405
Welland	\$329,900
Lincoln	\$388,838
Fort Erie	\$369,900
Niagara-on-the-Lake	\$459,900
Thorold	\$350,000
Pelham, Port Colborne, Wainfleet, West Lincoln	\$369,900
Grimsby	\$478,500

- The total gross income of the incoming tenant in the newly created secondary suite must be at or below the following, based on the number of bedrooms in the secondary suite:

Bedroom Type	Bachelor	1 Bedroom
Household Income Limit	\$25,500	\$31,500

- Prior to move-in and lease signing, the Tenant is required to complete an Income Verification Form with supporting income documentation, and provide it to NRH to assess initial eligibility.
- The Owner acknowledges that if the Tenant fails to provide initial income verification to NRH, the Owner will not be able to rent the unit to the tenant.
- If the Owner rents the unit to a tenant that has not provided NRH with their income verification, the Owner will be in default of their Letter of Agreement and the forgivable loan will be due and payable to NRH.

Secondary Suite Maximum Rents

- Secondary suite units must have rents at or below approved average market rents. For 2015, the average market rents are:

Area	Bachelor	1 Bedroom
St. Catharines	\$584	\$812
Niagara Falls	\$584	\$856
Welland	\$584	\$777
All Other Areas	\$584	\$744

Applicants for secondary suites may be taken from NRH's centralized waiting.

CONDITIONS

Households who received Niagara Renovates funding in the past are not eligible for this program.

Program Default

If any of the following occur, the Owner is considered to be in default of the Letter of Agreement and the balance of the forgivable loan must be repaid:

- The home is sold
- The funding is used for other purposes
- The Owner misrepresented information about program eligibility
- The Owner charges a rent that is above the maximum allowed rent (confirmed annually)
- The Secondary Suite Tenant fails to provide initial income verification to NRH

Program Requirements

1. Prior to completing a Secondary Suite Application, the Owner is required to obtain written confirmation from their municipal Building/Planning Department that their property is properly zoned to allow for Secondary Suites.
2. The Owner is required to complete and sign the application form and provide all supporting documentation including:
 - Copy of driver's license(s) or passport(s) or other photo identification to verify owners
 - Written confirmation from the Building/Planning Department that the property is properly zoned
 - Home insurance coverage
 - Copy of MPAC Statement or Property Tax Bill
3. A title search of the property will be conducted by NRH. The associated costs will be included in the total approved funding amount.

Conditional Approval

1. If the application is deemed eligible for funding, NRH will provide *Conditional Approval*. At that time, the Owner will be required to submit and obtain approval from the municipal Building/Planning Department & Fire Department for their secondary suite plans/ drawings. A copy of the approved drawings is to be forwarded to NRH for review.
2. When drawings/plans are approved by NRH, the Owner is required to obtain a minimum of three quotes for the construction of the Secondary Suite, obtain contractor WSIB Clearance and Insurance

Coverage and forward all documentation to NRH for review and approval.

Final Approval

1. NRH will review all documentation and will issue *Final Approval* via a Letter of Agreement, outlining the scope of work, funding amount, and roles of the Owner(s) and NRH.
2. All Owners must sign the Letter of Agreement.
3. The Letter of Agreement and Mortgage/Charge will be registered on title. Registration fees will be included in the total approved amount. NRH will not issue any payment until all documents are registered on title.
4. The Owner is required to start work within 45 days. Work started prior to written approval by NRH is not eligible.
5. The Owner is required to allow inspections by NRH:
 - Prior to start of work
 - During construction
 - When project is complete

These inspections are over and above the required inspections by the municipal Building Department.

Other Regional Programs

Niagara Region partners with local municipalities to provide incentives for housing in "Community Improvement Plan" areas. If a property is in one of these areas, homeowners may be eligible for Regional/ Municipal contributions to their project. Programs that may assist homeowners with their project are set by each municipality. Homeowners should check with their local municipality to determine if they are eligible for any incentive programs.

