



Community Housing Infrastructure and
Repair Program (CHIRP)

Proponent Guide

2023-24



Canada 

Proponent Guide

Community Housing Infrastructure and Repair Program (CHIRP)

Introduction

The CHIRP program is the Department of Municipal Affairs and Housing (DMAH's) repair program for Community Housing organizations (co-op and non-profit housing providers). It supports affordable housing units in the co-op and non-profit sector by offering forgivable loans to fund necessary capital repairs to existing residential buildings. DMAH will fund up to 100% of the cost of eligible repairs, to ensure that organizations can continue to offer affordable housing for low-income households. As conditions of funding, proponents must demonstrate sufficient capacity to manage the project and must agree to (1) provide Building Condition Assessments demonstrating need for repairs, (2) provide a Sustainability Workplan detailing their plan to achieve long-term financial sustainability, and (3) commit to offering a minimum percentage of their units at affordable rents for low-income households, for the duration of the loan forgiveness period. More complete program details are below.

Background

Through the 10-year Bilateral Agreement under the National Housing Strategy with the Canada Mortgage and Housing Corporation (CMHC), the Government of Nova Scotia continues to work with the federal government to match housing investments to assist more Nova Scotians in need. This includes providing support for the preservation of existing units that are owned and operated by co-operative and non-profit housing organizations, and to promote sector transformation and growth in a manner that is sustainable over the long term. To assist community housing organizations in achieving this, DMAH is offering forgivable repair loans through the Community Housing Infrastructure and Repair Program (CHIRP) to eligible recipients.

Program Objectives

- Stabilize and preserve community housing assets to ensure organizations continue to offer affordable rents to low-income households.
- Assist community housing organizations to undertake transformation projects that will support long-term financial sustainability.
- Strengthen organizational and governance capacity to ensure the long-term sustainability of the community housing sector and set the stage for growth in future years.

Proponent Guide

Community Housing Infrastructure and Repair Program (CHIRP)

Applicant Eligibility

Eligible Applicant

Is a private non-profit housing provider, including housing cooperatives, that:

- Owns and operates affordable housing units—including rooms in a boarding, lodging or rooming house—in Nova Scotia.
 - ▶ Providers of shelter spaces should apply to DMAH's Shelter Enhancement Program.
 - ▶ Housing providers operating on First Nations reserves should apply to Federal programming available through CMHC.
- Are in good standing with Joint Stocks in any Canadian province or territory and authorized to operate in Nova Scotia.
- Has a demonstrated need for CHIRP eligible repairs supported by appropriate documentation. Most repairs will require a building condition assessment (BCA) completed within approximately the last two years.
- Demonstrates that it has the appropriate governance structure or partnership in place to administer, manage, and report on project outcomes in accordance with requirements set out in the contribution agreement and/or at the request of DMAH.

Eligible Repairs and Costs

Eligible/Necessary Repairs (as confirmed by the BCA):

- ▶ Structural
- ▶ Electrical
- ▶ Plumbing
- ▶ Heating
- ▶ Fire Safety
- ▶ Energy efficiency/conservation costs that are not covered by other funding sources (e.g. Efficiency Nova Scotia or other).
- ▶ Accessibility/Barrier free adaptation, improvements, or modifications that are not covered by other funding sources.
- ▶ Health and safety repairs (i.e. structural, electrical, plumbing, heating, fire safety).
- ▶ Replacement of kitchens, bathrooms, and flooring with DMAH approval.
- ▶ Restoration of uninhabitable units.

Proponent Guide

Community Housing Infrastructure and Repair Program (CHIRP)

Other Eligible Costs—other costs that will be considered for inclusion in the forgivable CHIRP loan:

- ▶ Associated legal fees including migration costs.
- ▶ Project management fees (note: professional project management is required for CHIRP).
- ▶ Property management fees as related to the CHIRP project.
- ▶ Energy audit fees.
- ▶ Environmental assessments and studies related to eligible repairs.

Note: For supporting activities such as building condition assessments, asset management plans, portfolio reviews, strategic planning and organizational reviews, mergers/amalgamations, consolidation and acquisition planning, project and property management support, please inquire about the **Community Housing Growth Fund – CHGF** (<https://centre.support/grants/community-housing-growth-fund/>).

Ineligible Repairs:

- ▶ Work carried out prior to loan approval
- ▶ Repairs to any commercial component of the rental project
- ▶ Purchase of appliances
- ▶ Purchase of/repairs to outbuildings such as sheds
- ▶ Soft landscaping that is cosmetic rather than a structural repair, plantings, furniture and other movable objects.

Prioritization and Assessment of Applications

Assessment of applications is based on:

- Organization's capacity to:
 - ▶ undertake the repairs.
 - ▶ meet project timelines.
 - ▶ implement their plan for long-term financial sustainability.
 - ▶ provide updates and reporting on the project.
- Organization's commitment to deliver on effective transformation strategies such as using mixed-income models and/or partnership/amalgamations to achieve long-term financial sustainability.
- Organization's plan to improve accessibility and energy efficiency at a portfolio level.
- Whether the Organization has received financial assistance under CHIRP or other provincial programs in the previous 5 years.

Proponent Guide

Community Housing Infrastructure and Repair Program (CHIRP)

- Financial need of the organization.
- Confirmation of qualifying repairs through a BCA review.

Applications may be prioritized based on the following criteria:

- Organizations with a plan to improve housing outcomes for underrepresented and/or equity-seeking communities.
- Organizations that offer deep affordability for low-income households.
- Organizations with potential to achieve increased scale, transformation, or Community Housing sector growth.
- Organizations facing end of long-term subsidy agreements (e.g., CMHC Operating Agreements).
- Organizations who demonstrate readiness to begin projects promptly upon funding.
- Organizations in need of emergency repairs to address health and safety concerns.
- Funding for the fiscal year is subject to budget allocation and availability of funds.

Funding Requirements

As conditions of funding, CHIRP recipients will be required to meet the following program requirements:

- Organizations must meet the CHIRP Requirements for Property Management.
- Organizations must hire an independent and professional Project Manager or demonstrate capacity for internal project management with DMAH's approval.
- Organizations must offer a minimum of 30% of project units as Affordable Units for Eligible Households with incomes below the Household Income Limits established by DMAH.
- Organizations must submit a Sustainability Plan and provide progress updates on the work contained in that plan.
- Organizations must provide a Building Condition Assessment not more than two years old.
- As part of the project, organizations must develop and provide to DMAH an Asset Management Plan (AMP) and comply with that plan including making deposits into a Replacement Reserve Fund.
- Organizations must have the CHIRP Forgivable Loan Registered as a Mortgage on Title for the subject properties or other registered security deemed satisfactory by DMAH.

Proponent Guide

Community Housing Infrastructure and Repair Program (CHIRP)

To Apply for CHIRP

- Carefully read this CHIRP Proponent Guide and attachments, which include:
 - ▶ Application Form (including project partners, workplan, budget/quotes, and Sustainability Plan).
 - ▶ Funding terms and conditions, which apply to all projects funded under CHIRP.
 - ▶ Property management requirements.
- Complete, sign and witness the Application Form confirming the organization's interest in program participation and acceptance of all funding terms and conditions.
- Submit signed Application Form by email to CommunityHousing@novascotia.ca
- Applicants will receive acknowledgement of the Application and will be advised of conditional approval once the Application has been reviewed. Timeline for application review should be within 3–4 weeks.
- The number and amount of loans approved is subject to availability of funds.
- Questions about this process or the program may be sent via email to CommunityHousing@novascotia.ca.

DMAH will fund eligible costs plus the **non-recoverable** Harmonized Sales Tax (HST) associated with the costs. Recoverable HST is the amount of HST paid on eligible purchases and expenses for which qualifying non-profit organizations can claim a rebate from the Canada Revenue Agency.

Program Process

- Application Form submitted.
- Application reviewed and evaluated.
- Conditional Approval.
- Fulfill conditional approval requirements.
- Funding Commitment – Project Contribution Agreement.
- Legal Work (pre-Repair Process).
- Repair Process – Budget and Scope of Work Approval.
- Repair Process – Tendering, Change Orders, and Invoicing.

APPENDIX A: CHIRP Application

Community Housing Infrastructure and Repair Program (CHIRP)

Complete this application form and submit via email to communityhousing@novascotia.ca.

Note, the email's subject line should read: [APPLICANT NAME] CHIRP APPLICATION 2023–2024.

Application Checklist

Before submitting your application, ensure you include the following:

- Completed Application Form
- Building Condition Assessments
- Rent Rolls
- Recent Reviewed or Audited Financial Statements
- Project Workplan
- Itemized Budget and Quotes
- Sustainability Plan

Part A

Applicant Details

Legal Name of the Organization: _____

Registry of Joint Stock Companies ID Number: _____

Project Lead: (person implementing and reporting) _____

Position: _____

Phone: Work _____ Cell _____ Email: _____

Part B

Project Details

Project Title/Name: _____

Number of units to be offered at affordable rates to low-income households: _____

Address(es)/PID(S): _____

Planned Project Start Date: _____ Estimated End Date: _____

APPENDIX A: CHIRP Application

Community Housing Infrastructure and Repair Program (CHIRP)

Part D

Project Workplan

In the table below or in a separate attachment describe project deliverables and associated eligible repairs, roles and responsibilities, timelines, and expected outcomes.

#	Deliverables	Activities	Roles/Responsibilities	Timelines	Outcomes
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

APPENDIX A: CHIRP Application

Community Housing Infrastructure and Repair Program (CHIRP)

Part E

Itemized Budget and Quotes

In the table below, provide an Itemized Budget that describes both eligible and, if applicable, ineligible project expenses. Including ineligible expenses will provide DMAH with information about the full scope of the project. **Attach quote(s) to support itemized budget.**

Description	Funding Program	Costs (including HST)	Funding Source/ Partner Organization (if applicable)	Notes
Totals				
Total Loan Request				

APPENDIX A: CHIRP Application

Community Housing Infrastructure and Repair Program (CHIRP)

Part F

Rent Rolls

Provide a separate, attached document showing current rents charged in your organization's units. Indicate if units are RGI or receiving rent supplements.

Part G

Sustainability Plan

NOTE: Provide the Sustainability Plan as a separate document attached to this application. In general, the document should not be more than two pages. See below for more details on what this document should contain.

This section is an opportunity for the applicant to describe their vision for the future of their organization. Describe your future plans, including the steps you will take to ensure the long-term success and financial viability of the organization.

In providing repair funding, DMAH's goal is to set organizations up for long-term success. This means that organizations must have a plan to cover ongoing operating and maintenance costs for long-term viability. To be successful as a housing provider, community housing organizations must have a financially sustainable plan to continue operating affordable units. This plan should strive to be as self-sufficient as possible, with minimal reliance on ongoing government support.

To achieve a sustainable model, we encourage organizations to initiate a process of Sustainability Planning. This includes the changes, reforms, and initiatives that housing providers may need to undertake to ensure that their future business model is as effective as possible. In the current environment, where long-term operating subsidies and rent supplement agreements are ending, community housing organizations will face increasing responsibility to ensure their own financial viability. Sustainability planning includes the steps that may be necessary to achieve that self-sufficient model of viability.

Examples of initiatives for improved sustainability may include:

- Governance, Operational, and Financial Reviews
- Following a Capital Repair/Asset Management and maintenance Plan
- Rent Model Reform to achieve Sustainable Revenues
- Transformation to Mixed-Market and Mixed-Income Models
- Amalgamation
- Redevelopment
- Additional Income Streams Including Mixed-Use Development
- Research and Innovation

APPENDIX A: CHIRP Application

Community Housing Infrastructure and Repair Program (CHIRP)

To undertake this work, community housing providers are encouraged to seek other partnerships and sources of funding. In particular, the Community Housing Growth Fund (<https://centre.support/grants/community-housing-growth-fund/>) may be a valuable resource to support some of these initiatives.

Timelines: In describing your plans for Sustainability, provide approximate timelines for when you hope to complete this work.

Supporting documentation: Be advised that staff may request additional documentation to support your plan. If this is the case, Staff will work with the applicant to obtain any necessary documents.

Part H

Application Submission

Completed Applications should be submitted in PDF format via email to **CommunityHousing@novascotia.ca**.

*Note, the email's subject line should read: [AGENCY NAME] CHIRP APPLICATION 2023–2024.

Part I

Applicant Declaration and Signature

I have read the Community Housing Infrastructure and Repair Program Proponent Guide, 2023–24, in its entirety including Appendices. I have understood, and I agree to all the terms and conditions listed therein.

I declare that a minimum of 30% of the project units will be offered as affordable units for the duration of the Loan Term, and those Affordable units will be provided to eligible households (based on the current Household Income Limits) at rental rates below the average market rent for the immediate area.

I certify and declare that all the information contained in this application is complete and accurate in every respect. I am aware that the discovery of any false statements made in the application may result in the cancellation of this application and I agree that such action by Department of Municipal Affairs and Housing (DMAH) will be without penalty or liabilities for damages.

I hereby acknowledge that any work carried out before I receive written confirmation of approval is not eligible for assistance.

I understand that this application does not obligate DMAH to approve program funding.

I have the authority to sign this application on behalf of the cooperative/non-profit.

On behalf of the Board:

Name (print): _____ Date: _____

APPENDIX B: Funding Terms and Conditions

Community Housing Infrastructure and Repair Program (CHIRP)

Signature: _____

Recipients of CHIRP funding must enter into a Project Contribution Agreement with DMAH that sets out terms and conditions reflecting the requirements of the program and the CMHC–Nova Scotia Bilateral Agreement for the project. Each section below aligns with both CHIRP and the Bilateral Agreement requirements.

Financial Management

- The recipient will provide confirmation that DMAH security has been executed and registered against the Loan.
- The recipient agrees to hire professional property management for the Loan Term, unless it can demonstrate qualified internal property management staff can perform such duties. A description of the required management services is attached. A copy of the property management agreement is to be forwarded to DMAH for review.
- The recipient acknowledges that DMAH may select or hire a project manager to represent DMAH and monitor the Project. The community housing organization agrees to support DMAH’s project manager throughout the Project, including allowing access to units/job sites, meeting attendance, sharing information, and any other support that will help facilitate DMAH’s inspections.
- Where a project receives CHIRP funding, a minimum of 30% of the project units must be offered as affordable units for the duration of the Loan Term.
- Affordable units must be provided to eligible households (based on the current Household Income Limits) at rental rates below the average market rent for the immediate area.
- Notwithstanding these requirements, DMAH will allow the organization to charge higher rents and/or offer units to higher income households where necessary to ensure that revenues cover reasonable operating expenses, including maintenance expenses, capital reserve allocations and property management fees.
- The recipient will reimburse any recoverable HST related to this project that is received from Canada Revenue Agency.
- The recipient agrees to provide audited financial statements and an arrears report annually.

APPENDIX B: Funding Terms and Conditions

Community Housing Infrastructure and Repair Program (CHIRP)

Asset Management

- The recipient agrees to hire independent and professional project management for the Project. A copy of the project management agreement is to be forwarded to DMAH for review.
- The recipient will provide Building Condition Assessments (BCAs), completed within approximately the last 2 years.
- The recipient agrees to develop a BCA and a Asset Management Plan (AMP) as part of the Project which will inform future capital investments. A copy of the BCA and AMP will be provided to DMAH.
- The recipient agrees to deposit the following funds into the Replacement Reserve Fund, where applicable:
 - ▶ Available energy conservation rebates (i.e. Efficiency Nova Scotia) to reimburse efficiency costs paid for out of the Replacement Reserve Fund. The community housing organization agrees to maximize energy conservation measures and access all available funding and deposit the funding into the Replacement Reserve Fund.
 - ▶ Funds for capital repairs as informed by the AMP

Governance (as applicable)

- ▶ The recipient agrees to properly execute and certify resolutions to approve the Loan and Agreement.
- ▶ The recipient agrees to complete the required annual filing to maintain an active status with the Registry of Joint Stocks.
- ▶ The recipient's board members agree to sign ethical conduct agreements regarding carrying out their duties on behalf of the community housing organization.
- ▶ The recipient will ensure that Board members are covered by Director's Liability Insurance.
- ▶ The recipient should demonstrate that it has procured adequate property and liability insurance on all units in all subject properties and that DMAH is named as a loss payee.

APPENDIX B: Funding Terms and Conditions

Community Housing Infrastructure and Repair Program (CHIRP)

Communications Protocol

Recipients of CHIRP funding will acknowledge the contribution made by DMAH and CMHC in any information released or announced to the public concerning the project. Any press release or announcement may only be made with prior written approval of DMAH.

Communications activities can be generally defined as, but not limited to, the following:

- Public or media events and/or ceremonies
- News releases
- Reports
- Web and social media products or postings
- Blogs
- News conferences
- Media interviews
- Public notices
- Physical and digital signs
- Publications
- Success stories and vignettes
- Photos, videos, multi-media content
- Advertising

Joint communications or communications activities that relate to the project and are collaboratively developed and approved by CMHC, DMAH and, where applicable, the proponent, should not occur without prior knowledge and agreement of all parties. Each of the parties may request joint communications with at least 15 business days' notice. DMAH agrees to provide annual letters to households in projects which benefitted from the Canada Community Housing Initiative funding, or such other communication that may be appropriate (e.g. signage, plaques) where mutually agreed to by the Parties (Schedule E subsection 9.2 of the Communications Protocol)

Media Relations

Proponent will share information within one (1) business day with DMAH should significant media inquiries be received, or emerging media or stakeholder issues arise to a project funded under CHIRP.