



## Nova Scotia Student Housing Development Program Guide

### Introduction

Each year more than 58,000 students enroll in Nova Scotia's public post-secondary institutions with nearly half, or 26,000, of these students coming to study here from international locations or other provinces in Canada. The availability of safe and accessible student housing is a key component to attracting and retaining students in the province. With just 8,400 on-campus beds, most students must seek housing off-campus which is putting pressure on an already stressed housing rental market.

### Objective

The objective of this initiative is to increase the availability of student housing in communities where post-secondary institutions are located and to alleviate the pressure on the housing market.

### Rent Levels

Rents for student units funded by the forgivable loan stream are to be set on a cost-recovery basis annually. "Cost-recovery" is defined as gross rental income no greater than 7% above total operating costs.

Annual adjustments to rents on student units are to be based on the previous year's operating expenses.

### Funding Overview

There are two provincial funding options outlined in Appendix A (forgivable loan and mortgage loan streams) that may be used as a stand-alone option or together (stacked). See Appendix A for a funding overview and related criteria. These funding options may be combined with other federal, provincial, or municipal government programs. Applicants are encouraged to explore all options.

It should be noted that program criteria is subject to the requirements of the primary lender for the project.

## Applicants

Eligible applicants include universities located across Nova Scotia and non-profit organizations with experience in student housing development.

Applicants will need to demonstrate they have an appropriate project team with the requisite skills and experience to successfully deliver the proposed project. Additionally, applicants will need to demonstrate projects are financially viable and sustainable for at least 20 years (commitment period).

## Eligible Projects

Eligible projects include:

- Self-contained units
- Dorm style residence beds with shared amenities
- Purpose built or student housing that may include market units (mixed use)
- On- or off-campus
- Off-campus projects must include the support of the university to be considered student housing, which may include financial, in-kind, or other support for the project
- Commercial space that is no more than 30% of the total square footage
- Projects that involve third party operating arrangements or, development/ownership structures under long term agreements with third party providers

Projects given priority for funding include housing developments that:

- offer cost-recovery rents for student units over an extended period (minimum 20 years)
- have a financially viable plan for construction and operations over the long term
- are already advanced to a point where masterplans have been developed, technical reports are in place and the Municipal planning approval process is underway
- exceed Building Code minimum standards for accessibility
- exceed Building Code minimum standards for energy efficiency
- offer wider Social Outcomes beyond affordability, accessibility, and energy efficiency

## Ineligible Projects

Ineligible projects include:

- Renovations to existing on- or off-campus housing
- Renovations to existing occupied and semi-occupied residential rental properties
- Funding to buy existing rental properties
- Projects that are already substantially under construction

## How to Apply

The Departments of Municipal Affairs and Housing and Advanced Education are inviting submissions. Submissions are welcome until February 21, 2025, but proponents are encouraged to submit as soon as possible. See Appendix B for guidance on drafting your submission.

Send your submission to: [studenthousing@novascotia.ca](mailto:studenthousing@novascotia.ca)

For more information or to discuss your plans please request a call through: [studenthousing@novascotia.ca](mailto:studenthousing@novascotia.ca)

## Submission Review

Submissions will be reviewed by a panel that includes representatives from the Departments of Municipal Affairs and Housing and Advanced Education to ensure both housing development and post-secondary expertise are brought to bear. A weighted scoring matrix is used to assess each funding submission against a set of established scoring thresholds.

It is expected to take 6-8 weeks to review all submissions received. All applicants will receive a notification on the outcome of their submission review.

## Appendix A: Funding Options: Forgivable Loan Stream

Student Housing	Purpose Built Student Housing (Self Contained Units)	Mixed Use (Self Contained Units)	Dorm / Residence Beds with Shared Amenities
<b>Eligible Proponents</b>	<ul style="list-style-type: none"> <li>Universities / Non-Profits (with student housing experience)</li> </ul>	<ul style="list-style-type: none"> <li>Universities / Non-Profits (with student housing experience)</li> </ul>	<ul style="list-style-type: none"> <li>Universities</li> </ul>
<b>Rent Levels for Funded Units</b>	<ul style="list-style-type: none"> <li>On a cost-recovery basis “Cost-recovery” is demonstrated by an operating budget for the student units with a total operating income less than 7% of the gross rental revenue</li> </ul>	<ul style="list-style-type: none"> <li>On a cost-recovery basis “Cost-recovery” is demonstrated by an operating budget for the student units with a total operating income less than 7% of the gross rental revenue</li> </ul>	<ul style="list-style-type: none"> <li>On a cost-recovery basis “Cost-recovery” is demonstrated by an operating budget for the student units with a total operating income less than 7% of the gross rental revenue</li> </ul>
<b>Term of Agreement</b>	<ul style="list-style-type: none"> <li>Minimum of 20 years</li> </ul>	<ul style="list-style-type: none"> <li>Minimum of 20 years</li> </ul>	<ul style="list-style-type: none"> <li>Minimum of 20 years</li> </ul>
<b>Number of Funded Units for Students</b>	<ul style="list-style-type: none"> <li>Up to 100% for students</li> </ul>	<ul style="list-style-type: none"> <li>At least 30% and no more than 70% prioritized for students</li> </ul>	<ul style="list-style-type: none"> <li>100% for students</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>\$50k to \$150k per door for self contained student units planned for the project. Contribution will be determined based on construction costs, location of the build, rent levels, period of affordability &amp; alignment with government priorities.</li> </ul>	<ul style="list-style-type: none"> <li>\$50k to \$150k per door for self contained student units planned for the project. Contribution will be determined based on construction costs, location of the build, rent levels, period of affordability &amp; alignment with government priorities.</li> </ul>	<ul style="list-style-type: none"> <li>\$25k to \$50k per bed planned for the project. Contribution will be determined based on construction costs, location of the build, rent levels &amp; alignment with government priorities.</li> </ul>
<b>Required Equity</b>	<ul style="list-style-type: none"> <li>Proponents must have 5% equity in the project</li> </ul>	<ul style="list-style-type: none"> <li>Proponents must have 5% equity in the project</li> </ul>	<ul style="list-style-type: none"> <li>Post Secondary proponents must have 5% equity in the project</li> </ul>
<b>Other Requirements</b>	<ul style="list-style-type: none"> <li>Meet accessibility and energy efficiency standards</li> <li>Reasonable proximity to the institution</li> <li>Rent levels maintained over forgiveness period</li> </ul>	<ul style="list-style-type: none"> <li>Meet accessibility and energy efficiency standards</li> <li>Reasonable proximity to the institution</li> <li>Rent levels maintained over forgiveness period</li> </ul>	<ul style="list-style-type: none"> <li>Meet accessibility and energy efficiency standards</li> <li>Work to implement more affordable options related to meal plans and other associated residence fees</li> <li>Reasonable proximity to the institution</li> <li>Rent levels maintained over forgiveness period</li> </ul>
<b>Forgiveness</b>	<ul style="list-style-type: none"> <li>Forgiveness period will align with the commitment period and will be a minimum of 20 years</li> </ul>	<ul style="list-style-type: none"> <li>Forgiveness period will align with the commitment period and will be a minimum of 20 years</li> </ul>	<ul style="list-style-type: none"> <li>Forgiveness period will align with the commitment period and will be a minimum of 20 years</li> </ul>
<b>Eligibility for Student Units</b>	<ul style="list-style-type: none"> <li>Must be a full time post secondary student as determined by the university</li> </ul>	<ul style="list-style-type: none"> <li>Must be a full time post secondary student as determined by the university</li> </ul>	<ul style="list-style-type: none"> <li>Must be a full time post secondary student as determined by the university</li> </ul>

## Appendix A: Funding Options: Mortgage Loan Stream

Student Housing	Terms
<b>Eligible Proponents</b>	<ul style="list-style-type: none"> <li>Universities / Non-Profits (with student housing experience)</li> </ul>
<b>Eligible Projects</b>	<ul style="list-style-type: none"> <li>Mixed Use and purpose-built student housing (including residence style)</li> </ul>
<b>Lending Interest Rate and Repayment</b>	<ul style="list-style-type: none"> <li>Provincial cost of borrowing plus 0.25%</li> <li>Interest on the Loan will have a variable and fixed interest rate component. The interest rate to the IAD shall be the Provincial Cost of Funds in effect on the first day of each month plus 0.25%, calculated as simple interest</li> <li>Interest on the Loan, as advanced from time to time, up to the final advance shall accrue and be added to the total principal amounts advanced to determine the total balance for purposes of repayment.</li> <li>Interest rates are fixed for the term on the first of the month following date of <i>Total Completion</i> as defined in the Agreement</li> <li>Payment of Principal and interest begins one month after the interest rates are fixed</li> </ul>
<b>Available Loan Terms</b>	<ul style="list-style-type: none"> <li>10 years, 15 years, 20 years, 25 years, or 30-years with no renewals</li> </ul>
<b>Terms of Financing</b>	<ul style="list-style-type: none"> <li>Proponents must be able to demonstrate an ability to repay the loan</li> <li>Proponents must contribute 5% equity to the total project costs</li> <li>Lending up to 95% of the total project costs is permissible</li> <li>First charge mortgage in favour of Department of Municipal Affairs and Housing will be in place for repayable loans</li> <li>A General Security Agreement , first priority with Assignment of Material Documents will be required</li> <li>May require opening of escrow accounts for the purpose of repayments</li> </ul>

## Appendix B: Submission Guidelines

These guidelines outline the minimum requirements for a submission to be considered complete. While following these guidelines does not guarantee a project will be supported, the guidelines are intended to provide applicants with the best opportunity to compete for project funding.

These guidelines include everything an applicant needs to build a complete submission. The form and format of the submission is up to the individual applicant. However, when deciding on a submission format, choose a structure that ensures all important content is included and easy to find for the evaluation team. There are a couple of format requirements all submissions should meet:

- No more than 15 written pages, excluding cover page, executive summary, and appendices
- Appendices should not exceed 20 pages
- No more than a two-page executive summary that provides a full, high-level summary of the project
- Your development and operating cost forecasts should be submitted as a separate Excel document using the template provided

### EXECUTIVE SUMMARY

Provide a snapshot of the submission including an overview of the project and what makes it notable, key attributes of the project, estimate of when the project will be complete and operational, how many student (cost-recovery) units you are proposing, and how much funding is being requested.

### APPLICANT INFORMATION

A summary of your organization, outlining elements such as history, and overall approach to property development, including previous development experience and any other relevant details the evaluation panel should know. Please include contact person(s) and contact details, as well as detail on the organization, including legal name, province of incorporation, name of parent company if applicable, corporate/ charitable status, Board of Directors.

#### Property development & management experience

Background on previous development experience on projects of similar scale (size and complexity), property management experience, and any other information that may affirm your ability to ensure the successful delivery and ongoing management of the proposed project.

### Project team

Brief profiles and further information on project team, their current involvement in the project to date and their intended involvement going forward. Provide details on each member's capacity to begin work on this project immediately should funding be approved.

### Partnerships

Discuss the nature of any formal partnerships that are in place or planned for this project. Be sure to outline roles and responsibilities of each partner, as well as how the partnership will function relative to this project.

### Resources for project delivery

Discuss the team's capacity to deliver within the proposed timeline. What other projects will you have underway that will compete for your time and resources? How will you ensure required access to trades and materials?

## PROPERTY DETAILS

It is helpful to provide as much information as possible about your specific property or site. At a minimum you should provide:

- The full address including postal code;
- Property Identification (PID) numbers;
- A site plan clearly detailing the site boundaries; and
- Confirmation of municipal zoning including:
  - that the proposed use is permitted under the current zoning; or
  - the proposed process to seek a zoning amendment.

Depending on the type of property and stage of acquisition, other useful information could include:

- Details of Municipal Services and Road Access;
- Environmental Site Assessment, Geotechnical Report, Topographical Survey;
- Property Appraisal; and a
- Needs Assessment.

You should also seek to confirm that no Restrictive Covenants, Easements or Rights of Way or any other legal restrictions exist on the property or any adjacent property, which may impede development.

## PROJECT DETAILS

A detailed description of the project, including characteristics of the building(s) being proposed, a general outline for access and utility provision, a site plan with building setbacks and footprints, parking, and outdoor amenity provision, the overall configuration of units,

details of the location/community it will serve, and any other unique characteristics speak to the benefits of the project and state whether the project is mixed-use, mixed-income and/or mixed-tenure.

#### Construction management

How will construction be managed, by whom (fixed-price contract, general construction management contract or applicant as contractor) and any other relevant details. Discuss how you will ensure access to the necessary trades and materials to meet the proposed timeline.

#### Current project status

What has been achieved to date, what activities are currently underway, and next steps.

#### Scale, timeline & suitability

Describe the scale of project including the number and breakdown of units (market rent units and student units), number of bedrooms in each unit, building height Etc. Share a proposed project timeline that includes development approval, construction, and occupancy timelines; and discuss the suitability of the project for the geographic area and local community.

#### FINANCIAL VIABILITY

A clear indication of the funding you are requesting from the province, a detailed, realistic projection of financial viability of the project, together with details of risk mitigation strategy and contingency planning.

#### Estimated capital costs

A *DRAFT* Capital Costs and Pro Forma Budget is a required part of your submission - you can find it [here](#) on the Provincial website. We appreciate that depending on the level of project maturity, this may only reflect preliminary estimates for discussion.

#### Funding sources

Details on financing, a summary of all intended funding/financing sources, equity components, and any other sources of capital that will fund project costs.

#### Planning approval status

Summary of current zoning and land use bylaws, together with details on further steps required, and expected timeframe for having a Development Agreement in place.

#### Risk analysis

Identify and analyze any potential site issues that could negatively impact the project, such as contamination, servicing constraints, or environmental concerns and explain what plans are in place for risk mitigation.



## OPERATIONAL SUSTAINABILITY

A detailed summary of operational plans, approach, and proforma operating budget.

### Operating model

Summarize the planned operational model for the new building including any detail that make operations unique or noteworthy. Detailed operating pro-forma must also be provided (Schedule B).

### Projected income

Total expected income from the new property, including both market and student units, any income from commercial units and any other additional income that contributes to the financial sustainability of the project. For dorm style rooms, include income that can contribute to financial sustainability such as additional fees (i.e., for internet, cable, food, or laundry) or rental income anticipated outside of the academic year.

### Operational costs

A breakdown of all operating costs including property management fees, legal fees, utility costs, maintenance costs, insurance and any other expenses related to the operation of the residential units.

### Property management strategy

Detail on the management strategy for the new property and how it may relate to other existing properties in the organization's portfolio.

### Tenant selection and management

An indication of who will be eligible for the housing units and, how tenants will be selected for the student units.

## MARKET NEED/DEMAND

A discussion of current and anticipated market supply and demand, and a substantiation of average market rents relevant to the project being proposed.

### Market supply and demand

Analysis of market data and insights to illustrate existing supply and demand for housing in the area. Helpful sources of information include: the Canadian Rental Housing Index, local advertisements, insights from local appraisers, conducting an independent housing needs assessment, and the [Provincial Housing Needs Assessment](#).

### Target market

Discussion of the profile of tenants targeted for the new units, both the student and market rent units.

### Number and mix of units

Detailed breakdown of market units and student units, including proposed rents.

### Non-residential space

Discussion of any non-residential space included in the plan, and if/how it will impact residential units.

### Leasing strategy

Provide a sample of the proposed lease that include tenant rules or provide a description of intended leasing structure.

## ACCESSIBILITY

A summary of how the property and units will meet and/or exceed accessibility standards.

### Overall accessibility standards

Please explain the accessibility characteristics of the project. Please note the number of accessible units or features and barrier free units and discuss plans for meeting and/or exceeding the most current Building Code Regulations. For a project where Code requirements will be exceeded, please reference the most current B651-18 Accessible Design for the Built Environment or Rick Hansen Foundation Accessibility Standards.

## ENERGY EFFICIENCY

A discussion of intentions and plans around energy efficiency and climate resiliency.

### Energy efficiency intentions

Please explain the energy efficiency characteristics of the project. Please discuss plans for meeting or exceeding the most recent National Energy Code. Have drawings been assessed by the NS Department of Environment and Climate Change or Efficiency Nova Scotia? For projects where Code requirements will be exceeded, please reference Efficiency Nova Scotia, Canada Green Building Council, or Passive House standards.

### Impact on construction costs and affordability

Details on how the planned energy efficiency components will impact construction costs and the impact it is expected to have on affordability for tenants.

## COMMUNITY

A discussion of the proposed location for the new building that addresses relevant community matters including walkability, placemaking (the connection between public space and the people it serves), access to recreation areas, proximity to public transportation and other local services and facilities.

## ADDITIONAL INFORMATION & CONSIDERATIONS

An opportunity to share details on project characteristics not addressed in other sections of the submission.

### Site-specific amenities

Details on other building or property amenities that will be of interest to decision-makers.

### Additional social outcomes

Summary of any project attributes that will create additional social benefits for tenants.

### Value-added benefits

Details on other project elements that will create a value-added impact for tenants, the community Etc.

### Financial viability

Consideration for any factors that will improve the financial viability and sustainability of the project that may not have been captured in the other sections of the submission.

## APPENDICES

Include your master plan and any drawings you have prepared, cost estimates, operating pro-forma, any reports, letters of support from the Municipality and others, plus anything else evaluators should consider so they understand the full view of the project.