



INFORMATION GUIDE

CORNERSTONES GRANT PROGRAM FOR BUILDING A NEW SECONDARY SUITE IN A NEW HOME

A

Introduction

Affordable housing needs in Edmonton are significant and growing. Access to safe, adequate and affordable housing is fundamental to the physical, economic and social well being of individuals, families and communities.

Cornerstones, Edmonton's Plan for Affordable Housing 2006 to 2011 is a five-year plan, approved by City Council with a major objective to substantially increase the supply of safe, adequate and affordable housing for low-income households in the City.

To assist in meeting this *Cornerstones* objective, the City has launched four new Cornerstones Grant Programs relating to Secondary, Garage and Garden Suites with Provincial block funds for housing and City *Cornerstones* funding:

- A. Building a New Secondary Suite in a New Home;
- B. Building a New Secondary Suite in an Existing Home;
- C. Upgrading an Existing Secondary, Garage or Garden Suite; and
- D. Building a New Garage or Garden Suite.

If you are interested in **building a new Secondary Suite in a new home**, then this information guide is for you. The City of Edmonton's general phone number 311 will refer you to the appropriate resource for further information.

Definitions

- A "Secondary Suite" is a self-contained dwelling located within a single detached house and has separate cooking, sleeping and bathing facilities. A Secondary Suite also has a separate entrance from the single detached house, either from a common indoor landing or directly from the exterior of the house. Secondary Suites include the conversion of basement space to a dwelling, or the addition of new floor space to an existing single detached house. Secondary Suites do not include housing that was initially designed for two or more dwellings such as Duplex Housing, Semi-detached Housing, Apartment Housing, or Boarding and Lodging Housing.
- A "Garage Suite" is a self-contained dwelling located above or attached to a side or rear of a detached garage which is accessory to a single detached house. A Garage Suite has an entrance separate from the vehicle entrance to the rear detached garage, either from a common indoor landing or directly from the exterior of the structure. It has separate cooking, sleeping and bathroom facilities.
- A "Garden Suite" is a self-contained single-storey dwelling which is accessory to, but detached from, the principal single detached house. It has separate cooking, sleeping and bathroom facilities.

Program Purpose

- The *Cornerstones* Grant Program for Building a New Secondary Suite in a New Home has been developed to increase through the provision of a one time grant, the number of new long term affordable rental units that conform to City zoning and Provincial building code requirements.

Program Details

- This Program is designed to provide funding on a first-come-first-served basis to assist an applicant/property owner with the installation of a new Secondary Suite on a property where no primary residential unit exists.
- As the total annual budget for allocation under this Program is based on limited funds from Provincial and City funding sources, City funding commitments under this Program will be conditional on budget availability.
- An applicant for funding under this Program must:
 - Show commitment to the purpose of the Program and demonstrate ability to oversee the construction and manage the Suite over the full five-year term of the operating agreement with the City;
 - Be the owner occupier of the property where the Suite is proposed or a homebuilder where the intent is to transfer the agreement to a future owner occupier;
 - Provide receipts indicating project costs beyond the grant funding amount has been paid prior to accessing grant funding.
- Funding under this Program will be a grant of up to a maximum of \$20,000 per Secondary Suite. All approved Program funds will be limited to construction approved by the Branch that meets the Alberta Building Code. Any construction beyond the scope of the Program will not be covered by Program funding.
- A proposed Suite must comply with the Edmonton Zoning Bylaw prior to being considered for funding.¹

Application Process

General Funding Parameters

- The project must be located within the boundaries of the City of Edmonton;
- An applicant who is in tax arrears is not eligible for Program funding;
- The project can only be developed in, or accessory to, a single detached house;
- Only one Suite is eligible for Program funding per property;

¹ Information on all City of Edmonton land use planning (zoning) and development requirements relating to a Secondary, Garage or Garden Suite is available by accessing the City of Edmonton website (www.edmonton.ca) and initiating a "Secondary Suites" key word search.

- The applicant/owner must have secured the property, as evidenced by holding title or having a valid offer to purchase, before applying for Program funds;
- A Program funded Suite must be available to rent to a household with less than median income²;
- The property must meet City zoning and Alberta Building Code requirements to permit a Secondary, Garage or Garden Suite;
- A suite must comply with Edmonton Zoning Bylaw minimum and maximum suite size requirements:

| Suite Type | Required Suite Size/Floor Area | |
|---------------------------------|---------------------------------------|---|
| | Minimum | Maximum |
| Secondary or Basement Suite | 30 square meters (322.92 square feet) | Not more than the total floor area of the first storey of the building. Suites on or above the first floor: 40% of the total floor area of the building, or 70 square meters (753.48 square feet), whichever is less. |
| Garage Suite (above grade) | 30 square meters (322.92 square feet) | 60 square meters (645.84 square feet). May be increased by up to 7.5 square meters only where additional amount is used for a platform structure associated with the Suite. |
| Garden or at grade Garage Suite | 30 square meters (322.92 square feet) | 50 square meters (538.2 square feet), excluding garage portion of the building. May be increased by up to 7.5 square meters only where additional amount is used for a platform structure associated with the Suite. |

- Eligible costs include: required servicing, building materials, and qualified labour for construction to meet minimum health and safety code requirements for Secondary Suites. Furnishings, appliances and site development are not eligible Program costs;
- An applicant approved for funding under this Program must abide by the requirements for a landlord under the Residential Tenancies Act.³

Grant Application

- The grant application for is attached. The City will evaluate completed grant applications and required documentation:
 - An itemized estimate of the total construction cost of the proposed Suite;
 - Copy of Development Permit and Building Permit;

² The City determines whether a tenant qualifies based on its determination of median income in the City of Edmonton. Information on the median income for specific household sizes in Edmonton is available from the City's Housing Branch. It is the responsibility of the Owner to inform the City that the tenant is earning less than median income for their household size.

³ For additional information please contact the Landlord Tenant and Advisory Board (LTAB) at: 8904 – 118 Avenue, Edmonton, AB, T5B 0T6, (780) 496-2978, www.edmonton.ca/ltab

- Copy of a floor plan of the proposed Suite approved by a City Plans Examiner;
- Copy of land title or valid offer to purchase to confirm ownership of the property;
- Copy of a current property tax notice/assessment;
- Confirmation of project financing.
- Funding will be committed based on the figures submitted and no cost over-runs will be covered by the City of Edmonton. The Branch decision is final.
- The City of Edmonton will make every effort to notify an applicant within ten (10) working days on the status of their completed application and required documentation.

Grant Approval

- The City will issue a letter to an approved applicant enclosing a draft five year operating agreement that specifies the amount approved and the terms and conditions of the grant approval. In response, an applicant shall sign and return the agreement. Among other things, this agreement will commit an applicant to be an ongoing owner occupier and ensure the new Suite is available for rent to a household earning less than median income. A homebuilder applicant, not intending to be an owner occupier, must commit to the future sale of the completed building to an owner occupier who will commit to the terms of the operating agreement.
- A project must be completed to the satisfaction of the City within the time specified in the executed operating agreement.
- One hundred percent (100%) of Program approved funds may be paid to the applicant upon a final inspection by the City Housing Branch after all work is completed and receipt of all required final inspection reports which confirm compliance with appropriate governing codes and legislation. All grant funding cheques will be made payable to the applicant.
- The City retains the right to access the property and monitor the project and ensure compliance with all terms and conditions of the funding agreement over its five-year term. The City may inspect a Program-funded property on an annual basis. The applicant and tenant must provide a City Inspector access within one week of a request being made to enter the premises for up to five (5) years after the receipt of Program funding.
- The applicant is required to notify the City of any ownership or Suite tenancy changes before the five year term has completed.
- Approval of an application will be revoked if the work is not completed within twelve (12) months of the date of the approval letter. All required documentation and a request for final inspection by the City must be submitted by this time.
- An applicant who breaches the terms of the signed operating agreement may be required to repay the funds on a pro-rated basis based on the balance of the remaining term.



**APPLICATION
CORNERSTONES GRANT PROGRAM FOR BUILDING
A NEW SECONDARY SUITE IN A NEW HOME**

☐ Owner

☐ Homebuilder

Note: Incomplete applications will not be accepted. A complete application includes attaching: Development and Building Permits, an itemized estimate of the total construction cost of the proposed Suite, copy of a floor plan of the proposed suite approved by a City Plans Examiner, copy of land title or valid offer to purchase, copy of current property tax notice or assessment, and confirmation of project financing. Completed applications will be considered on a first-come-first-served basis.

APPLICANT(S)

| | |
|--------------------------------|-----------------------------|
| Property Owner(s)/Company Name | Contact Name (if different) |
|--------------------------------|-----------------------------|

MAILING ADDRESS

| | | | | | |
|-------------------|-------------|---------------|----------|----------|-------------|
| Street No. | Street Name | Unit/Apt. No. | City | Province | Postal Code |
| Telephone Numbers | Home () | Work () | Cell () | | |

PROPERTY TO BE DEVELOPED

| | | | | |
|---------------------------------------|-------------|------|----------|-------------|
| Street No. | Street Name | City | Province | Postal Code |
| Legal Description (Plan, Block & Lot) | | | | |

ESTIMATED PROJECT COST DETAILS

| Item | \$ |
|---|----|
| Total Construction Costs Inc. GST | |
| Other Costs: i.e. Building Permits, Drawings, ect Inc. GST | |
| Total Estimated Project Costs | |

ESTIMATED PROJECT FUNDING/FINANCING

| Item | \$ |
|---|----|
| Cornerstones Grant Funding | |
| Non Cornerstones Financing | |
| Total Estimated Project Funding/Financing | |

DECLARATION

1. I/We hereby grant permission to the City of Edmonton to carry out necessary inquiries to verify accuracy of information contained herein.
2. I/We hereby confirm that I/we am/are the owner(s) of the said property
3. I/We commit to be the owner occupier of the principal residential unit or as a homebuilder I/we commit to transfer the building to a future owner occupier committed to meeting the terms of the five year operating agreement.
4. I/We hereby authorize an inspection of my/our property at any reasonable time with the appropriate advance notice.
5. I/We acknowledge that any work carried out prior to receipt of written confirmation of Cornerstones funding approval and work or materials under the Program is not eligible for Program funding.
6. I/We hereby commit to make available for rent the Suite to a household earning less than the median income for their household size in Edmonton for a period of 5 (five) years. (Please note the five year term commences on the initial date of rental occupancy of the Suite.)
7. I/we will notify the City of any and all building ownership or Suite tenancy changes within the five year term.
8. I/We acknowledge that I/we must expend one hundred percent (100%) of required owner contribution prior to receiving any City grant funding.
9. I/We acknowledge: (a) that I/we understand the terms and conditions that shall govern any funding that may be approved; and, (b) that I/we will enter into an operating agreement.
10. The information contained herein is true.

| | |
|------|------------------------------|
| Date | Signature(s) of Applicant(s) |
|------|------------------------------|

Information provided to the City for this Cornerstones grant Program is subject to the Freedom of Information Privacy Act
Individuals have a right of access to controlled information about themselves

