

# GREEN MUNICIPAL FUND: SUSTAINABLE AFFORDABLE HOUSING

An introduction to the fund Hosted by CHRA

Jen Arntfield, Lead, Sustainable Affordable Housing Benjamin Koczwarski, Advisor, Programs Outreach May 6, 2020

#### Meet the team



#### Jen Arntfield

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### **Agenda and objectives**

Who we are at FCM

- Green Municipal Fund (GMF)
- How we can help

Sustainable Affordable Housing Fund

- Overview of funding
- Who is eligible
- What we fund
- How to apply

# **Federation of Canadian Municipalities**

- The national voice for Canada's local governments
- Our programs and advocacy deliver tools to help municipalities tackle local challenges

#### FCM's Green Municipal Fund

- Supports municipalities of all sizes through funding and capacity building
- Improves the quality of air, water and land
- Strengthens infrastructure investment decision-making
- Reduces GHG emissions
- \$926 million invested in over 1,300 projects since inception







#### Federal Budget 2019 investment in GMF

Drive cost-saving energy efficiency in communities across Canada

> Community Efficiency Financing **\$300M**

Sustainable Affordable Housing \$300M LC3-FCM Community Climate Action \$350M

### **Sustainable Affordable Housing overview**

The \$300M fund will be allocated and disbursed to eligible recipients as a combination of grants and loans



### **Sustainable Affordable Housing objectives**

#### **Triple Bottom-line Benefits**



**Environmental:** Reduce energy and GHG intensity



**Economic:** Increase energy and housing affordability



**Social:** Improve building quality; increase resident comfort, health & quality of life

#### Support Sector Transformation



Enable housing providers to better plan, build, operate and maintain energy efficiency / renewable energy projects.

# **Applicant eligibility**





Municipal Government (e.g., town, city, region, district);



Municipally owned corporation, i.e. municipal housing provider



Non-profit, mission driven **affordable housing provider** (not-for-profit and cooperatives)





Federal department, parent Crown Corporation or subsidiary



Provincial or Territory-owned housing provider



Private for-profit housing providers and developers

# **Project eligibility**

#### Retrofits

Minimum 25% reduction in energy consumption

#### New builds



#### Affordability

Rents for **at least 30%** of the units are **less than 80%** of the local median market rent



# **Funding available**

SAH can support your project with funding for any stage:

- Planning
- Studies
- Pilot projects
- Capital projects: retrofits or new builds



# **Planning grant**

Up to \$25,000 80% of eligible costs

- Get your energy efficient project off the ground
- Develop the concept
- Embed environmental performance at the outset of your project



# Study grant

Up to \$175,000 50% of eligible costs\*

- Analyze options in detail
- Assess and model energy outcomes
- Other feasibility work



\*Some stacking restrictions – contact us



**City of Ottawa, ON** New Building Study Grant: \$42,625 Study Value: \$100,650

"The success of the Beaver Barracks project demonstrates that the affordable housing sector can innovate in energy efficiency." Ray Sullivan, Executive Director Centretown Citizens Ottawa Corporation

### **Pilot project grant**

Up to \$500,000 80% of eligible costs

- Small-scale test
- Innovative, high environmental performance
- Confirm approach on site
- Leads into a capital project



# **Capital project financing: Retrofit**

#### Up to \$10 million 80% of eligible costs; 25-50% grant *determined by energy performance*

- Retrofit existing homes
- Save energy
- Other upgrades are eligible
- Grant amount increases with greater energy savings



**City of Toronto, ON** Energy retrofit Loan: \$5,000,000 Grant: \$750,000

"By integrating design and implementation, this project costeffectively reduced energy consumption and GHG emissions, while improving tenant comfort and air quality." Bryan Purcell, VP Policy and Programs The Atmospheric Fund

# **Capital project financing: New-build**

Up to \$10 million 20% of eligible costs; 50% grant

- Build new homes to a higher energy performance standard
- Target net zero energy
- Can be met with range of standards (ex. Passive House)





Niagara Regional Housing New energy-efficient building Loan: \$1,091,000 Grant: \$109,100

# **Summary: funding offer**

Project stage	Funding offer	
Planning	<ul><li>Grant up to \$25,000</li><li>Up to 80% of eligible costs</li></ul>	
Study	<ul><li>Grant up to \$175,000</li><li>Up to 50% of eligible costs</li></ul>	
Pilot project	<ul><li>Grant up to \$500,000</li><li>Up to 80% of eligible costs</li></ul>	
Capital project: retrofit	<ul> <li>Financing up to \$10 million</li> <li>Up to 80% of eligible total project costs</li> <li>Grant based on energy performance</li> <li>Grants are 25% to 50% of GMF funded amount</li> </ul>	
Capital project: new build	<ul> <li>Financing up to \$10 million</li> <li>Up to 20% of eligible total project costs</li> <li>Grants are 50% of GMF funded amount</li> </ul>	

### **Project evaluation criteria**

Impact	Implementation	Transformative Potential
<b>Environmental benefits</b> (quantitative)	Stakeholder engagement	Innovation
<b>Environmental benefits</b> (qualitative)	Team and partners	Audacity
Economic benefits and affordability	Workplan and budget	Capacity building
Social benefits	Risk management	Replication
Relative impact	Financing	
	Measurement and monitoring	

### **Application process**

#### **Planning grant**

- Simple, straightforward process
- Application and project workbook online (May 15)

#### **Studies/pilots/capital projects**

- Application Guide online (May 15)
- Initial Proposal Form online (May 15)
  - •GMF Project Officer assesses eligibility
  - Full application and project workbook sent if eligible

# **Supporting documents required**

#### All projects

- Your organization's constating documents
- Evidence of your local municipality's support
- Evidence of consultation with provincial/territorial government

#### **Capital project financing**

- Complete feasibility study, with energy model or calculations
- Project financial documentation (cost estimates and projections)
- Organization financial documentation (financial statements)



### Training, resources, tools and more

SAH can help you innovate with:

- Training, such as webinars
- Resources and tools, such as case studies and guides
- Networking opportunities and peer learning

#### Visit fcm.ca/resources



#### Case study: Improving health and comfort for residents in the GTA

The City of Hamilton will help develop lessons learned and best practices for future scale-up efforts, and will add a multi-unit residential complex to the initiative.

#### VIEW CASE STUDY

#### Funding opens May 15<sup>th</sup>

#### **Program information:** fcm.ca/sustainableaffordablehousing

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> **Contact us:** gmfinfo@fcm.ca 1-877-417-8550

