
The Province of New Brunswick and the Government of Canada have signed a cost sharing arrangement to increase the supply of affordable rental housing units for low and moderate income households throughout New Brunswick.

What is the Affordable Rental Housing Program?

The affordable Housing Program provides assistance to private entrepreneurs, private non-profit corporations (includes off-reserve native population), and co-operatives for the construction, acquisition & rehabilitation, conversion and operation of rental housing projects.

Who qualifies?

A development proposal is eligible if it meets the following requirements:

- Eligible projects must create basic affordable rental units that would rent at or below the average market housing rents or prices for comparable housing in a community or area.
- Projects may be developed through new construction, the purchase of existing housing with or without subsequent rehabilitation and the conversion of existing buildings.
- Eligible tenants include families, seniors, non-elderly singles, disabled households, persons with special needs. Supportive housing programs may also be used to assist vulnerable seniors and adults to help them maintain or resume independent living in their own home.
- All new construction projects must conform to current design & building standards. Existing buildings must conform to acceptable standards, as determined by SD.
- Private non-profit organizations must incorporate under provincial or federal legislation.

A proposal is to contain the following specific information:

Information on Sponsoring Group – discuss origins, objectives, membership, affiliations, community support and type of organization.

Development Plans – Outline steps to be taken to develop the project through each stage. Indicate consultants available to provide assistance.

Target Group – Identify the client group to be served and provide evidence of need in relation to the availability of suitable, adequate and affordable accommodation in the private market for the target group.

Site Selection Consideration – Identify suitable land available for development. Discuss zoning restrictions, if any, and potential cost. If a specific site has yet to be identified, comment on the availability of suitable land in the area.

Concept Proposal – Identify the type of housing to be built/acquired that is most suitable for the target group's needs. Identify the total number of units to be developed. Estimate the total capital cost and operating cost.

Additional Cost Effectiveness Considerations – Comment on ways and means to be investigated to control or reduce cost such as equity (land, cash, etc.)

Development Schedule – In order to minimize the risks of projects not proceeding after their selection to receive proposal development funding beyond the proposal development phase, as well as to minimize the carrying costs included in contract prices and options, project sponsors are to submit a development schedule with their initial application.

Proposals are compared with each other to ensure that those that best meet the program objectives and are most cost-effective will be selected for further development and a conditional allocation.

Ineligible projects are those which do not meet the criteria of properties operated as bona fide rental enterprises and include:

- residential care facilities
- nursing homes
- emergency shelters

How does it work?

Assistance is in the form of a forgivable loan and is based on the cost of eligible work and the number of eligible self-contained units or bed units within a project. The maximum forgivable contribution for projects sponsored by non-profit groups is \$40,000 per unit and may include 100% of the units within a project. Private entrepreneurs are eligible for a maximum forgivable contribution of \$40,000 per unit, limited to no more than 50% of the total units within a project. Borrowers will enter into a Mortgage Agreement with SD to ensure that units remain affordable to low and moderate income households.

Interest free proposal development funding loans are provided to assist eligible non-profit & co-operative sponsors of projects to carry out the activities required to develop a project proposal to the point where a commitment of assistance can be made.

Where situations warrant rental subsidies (Rent Supplements) may be provided to ensure units are affordable to low-income households. Tenants qualifying for assistance through the Rent Supplement Program will have their rents reduced to 30% of the adjusted household income. Landlords will receive the difference between the rent paid by the tenant and the market rent agreed to under a rental agreement.

Do you have any questions?

If you have any questions about the Affordable Rental Housing Program, contact your regional office of the Department of Social Development.

Chaleur	1-866-441-4341	Acadian Peninsula	1-866-441-4149
Restigouche	1-866-441-4245	Miramichi	1-866-441-4246
Edmundston	1-866-441-4249	Moncton	1-866-426-5191
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