

Affordable Laneway Suites Pilot Program Q & A

Q1: If my property is located in the former City of Toronto or former Borough of East York, does that mean it is definitely within the Toronto East York District that allows me to qualify for the Program?

A1: Not necessarily. Please contact Toronto Building Division at 416-397-5330 to inquire if your property is located within the Toronto East York District boundary and in an area designated as a Neighbourhood.

Q2: Am I eligible for the Program if my property is abutting a private lane?

A2: No. A laneway suite has to be abutting a **public** lane.

Q3: Am I eligible for the Program if I wish to create two laneway suites or shared dwelling rooms in the suite?

A3: No. The current amended Zoning By-law only allows you to create one laneway suite, or one self-contained dwelling unit, if your property is located in a Toronto East York District neighbourhood that is abutting a public lane.

Q4: How do I obtain a Zoning Certificate?

A4: Please visit the Toronto Building web site for information on [how to obtain a Zoning Certificate](#).

Q5: What is the maximum amount of funding that I can receive from the City under this Program?

A5: The funding comes from the Federal/Provincial government under the Investment in Affordable Housing (IAH) for Ontario – 2014 Extension Program, Ontario Renovates Component, which limits the life-time capital funding for renovation of a property to \$50,000. If the property owner has previously received renovation funding under the Residential Rehabilitation Assistance Program or Toronto Renovates Homeowners Program, the amount of funding will be reduced accordingly.

Q6: Is it based on the construction cost estimates?

A6: Applicants are required to submit quotations from two separate contractors and funding is based on the lower of the two quotes subject to a maximum funding of \$50,000.

Q7: Is there a possibility of obtaining funding in excess of \$50,000 on basis of the final cost of construction?

A7: There is no exception to the current Program Rules to allow funding to exceed \$50,000, irrespective of the cost of construction.

Q8: Is the funding provided in the form of a grant or a loan?

A8: This a 15-year forgivable loan with no interest. The loan is forgiven at the rate of 6 $\frac{2}{3}$ % per year and therefore will be forgiven after 15 years.

Q9: What obligations do I have to undertake to receive this funding?

A9: To receive the Program Funding, you are required:

- (i) To sign an [Affordable Laneway Suites Funding Agreement](#) with the City to ensure that the rent that you are charging your tenant occupying the laneway suite is less than the prevailing CMHC published Average Market Rent (AMR) throughout the 15-year forgivable period (or Affordability Period as defined in the Funding Agreement), even if the lease is terminated during this period for whatever reasons;
- (ii) To register a mortgage charge on the title of the property in favour of the City to secure the loan funding; and
- (iii) To fulfil other obligations in the [Affordable Laneway Suites Funding Agreement](#).

Q10: What is the latest AMR for different bedroom types published by CMHC?

A10: Please see [this page](#) for latest AMR.

Q11: What is the maximum household income limit for the tenant(s) occupying the Laneway Suite?

A11: The maximum household income limit of the tenant(s) must not exceed the following:

Size of Household	One person	Two or more people
Household Income Limit	\$63,400	\$96,000

Q12: Can I as the owner or a member of my family occupy the Laneway Suite?

A12: While you as the owner cannot occupy the Laneway Suite as a tenant, you may rent the Suite to your family member provided s/he is able to provide written

proof of his/her household income that does not exceed the above limit, and a written lease document to verify the landlord and tenant relationship and the rent being charged.

Q13: Can I sell the property during this 15-year Affordability period?

A13: The property owner will need to repay the remaining portion of the loan that has not been forgiven back to the City.

Q14: Will my application be approved if construction work has already started on site?

A14: No. Funding will not be approved if work has already started on site.

Q15: How is the funding being paid? Does the City pay the Contractor directly?

A15: The City does not have any direct dealing with your Contractor. Funding will be paid to you in accordance with the [Affordable laneway Suites Funding Agreement](#) that you have signed with the City.

Q16: When will I receive the funding after signing the [Affordable laneway Suites Funding Agreement](#) and registration of the mortgage?

A16: You will receive 90% of the funding within 45 days after meeting the conditions as set out in Section 3.5(a) of the Agreement. You will receive the remaining 10% of the funding within 45 days of the fulfillment of the conditions set out in Section 3.5(b) of the Agreement.

Q17: Is there another City Program that will provide me with additional financial assistance in the construction of a laneway suite?

A17: Yes, the City's DC Deferral Program allows for development charges deferral for eligible property owners developing a secondary dwelling unit at the rear yard of a property. For more information, please refer to [program details](#).

Q18: Is there any illustrative guide that will help to provide a better understanding of the standards and requirements for a laneway suite?

A18: You may refer to the [City Planning Presentation](#) provided to the Toronto East York Community Council on May 2, 2018.

Q19: What is the By-law that permits Laneway Suites?

A19: It is the City of Toronto By-law [#810-2018](#).