CITY OF TORONTO
CALL FOR APPLICATIONS

Rental Housing Supply Program (RHSP) Indigenous Funding Stream

Program Guidelines

Date Issued: August 26, 2026

TORONTO

Table of Contents

01. Program Overview 3

1.1 RHSP Program Background 3

1.2 Definition of Key Program Terms 7

1.3 Stay Informed 10

02. Program Requirements 11

2.1 Minimum Eligibility Requirements 11

Section A. Project and Organization Requirements 11

Section B. Affordable Housing Requirements 18

Section C. Rent-Controlled Housing Requirements (ARRCHI) 20

2.2 Housing Benefits Requirements 21

2.3 Operating and Access Requirements 22

03. City Benefits under the RHSP Indigenous Funding Stream 23

3.1 Available Financial Incentives through ARRCHI 23

3.2 Available CHPF Loan Funding 25

3.3 Advancing of Pre-Development Funds 26

3.4 CHPF Repayment Structure 27

3.5 CHPF Terms of Forgiveness 27

3.6 Available Capital Funding 27

3.7 Development Review Supports and Services 28

04. Application and Review Process 29

4.1 Application Package 29

4.2 Review Process 29

4.3 Evaluation Criteria 30

4.4 Approval Process 31

1. PROGRAM OVERVIEW

1.1 RHSP Background

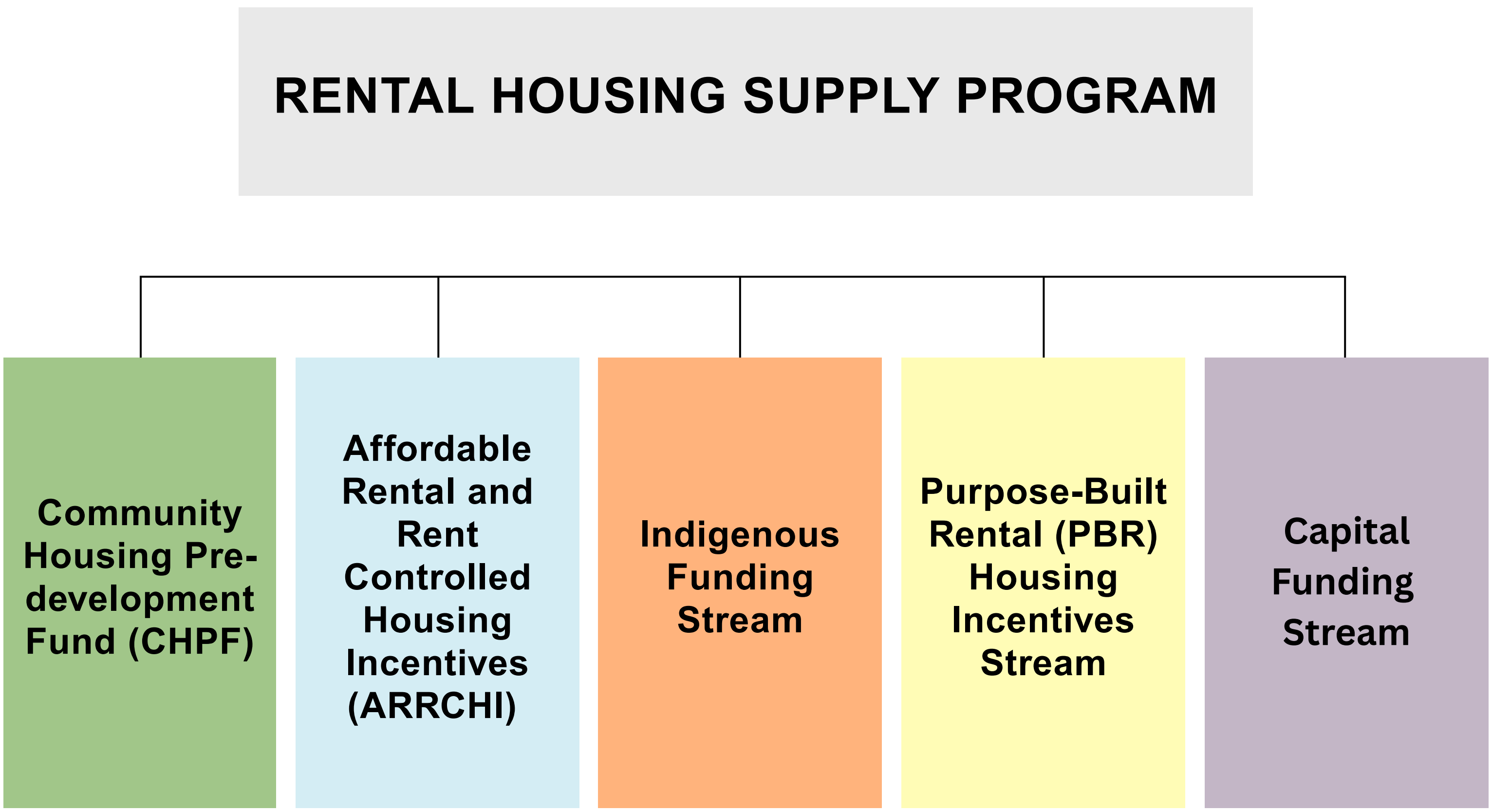
Adopted by Council in 2024, the Rental Housing Supply Program (RHSP) provides City financial contributions to support rental housing projects at different stages of development. These contributions include pre-development loan funding, capital funding, and financial incentives for projects that meet the City's affordable housing requirements.

The RHSP advances the City's HousingTO 2020-2030 Action Plan (HousingTO Plan) by supporting a range of new rental homes that advance the City's housing targets. These targets include approving 65,000 rent-controlled homes by 2030, comprised of 6,500 Rent-Geared-to-Income (RGI) homes, 41,500 affordable rental homes, 18,000 supportive homes, and 17,500 rent-controlled homes. The RHSP will also help the City meet its provincial housing target of starting construction on 285,000 new homes by 2031.

Through the HousingTO Plan, City Council has committed to supporting the approval of 5,200 new affordable rental and supportive homes to be delivered by Indigenous Housing Providers for Indigenous Peoples. This initiative is intended to address the over-representation of Indigenous residents among Toronto's homeless population and advance the City's commitments to truth, reconciliation and justice. To realize this goal, a Memorandum of Understanding (MOU) with Miziwe Biik Development Corporation (MBDC) was established to advance a critical partnership that would support the delivery of these new homes and to identify land, capital and/or operating funding opportunities for the sector. Through this partnership and with direction from City Council in 2025, the Indigenous Funding Stream was co-developed with MBDC. MBDC will support the funding stream's implementation and evaluation processes, including validating the Indigenous Housing Provider Letter of Attestation.

Participation and funding from all orders of government is required to deliver the Indigenous Housing targets outlined in the HousingTO Plan. The Province of Ontario has programs to support the creation of new affordable rental housing and supportive housing through the Rental Housing Component of the Ontario Priorities Housing Initiative (OPHI) and the Indigenous Supportive Housing Program (ISHP), The Federal Government has programs to support the creation of new affordable rental housing through the Canada Mortgage and Housing Corporation (CMHC) and Build Canada Homes (BCH). All applicants are strongly encouraged to consider these and other funding programs when planning to create new affordable and rental housing in Toronto.

The RHSP is delivered through five streams: the Community Housing Pre-Development Fund (CHPF), the Affordable Rental and Rent-Controlled Housing Incentives (ARRCHI) stream, the Purpose-Built Rental (PBR) Housing Incentives stream, Capital Funding stream, and the Indigenous Funding Stream. Through the RHSP, the City has earmarked 20% of its grant and loan funding to support Indigenous-led housing projects by Indigenous Housing Providers. Descriptions of the streams are included below. Further information can be found on the City's Open Calls for Affordable Housing Initiatives page.



Community Housing Pre-Development Fund (CHPF)	The Community Housing Pre-Development Fund (CHPF) is an interest-free repayable loan program available to Community Housing Providers to fund pre-development activities required to develop new Affordable Rental Homes. CHPF aims to support the Community Housing sector's development capacity by giving them access to loan funds that can enable them to progress their affordable housing project towards construction start.
Affordable Rental and Rent Controlled Housing Incentives (ARRCHI) Stream	The Affordable Rental and Rent-Controlled Housing Incentives (ARRCHI) Stream provides eligible Rental Homes access to financial incentives including a waiver of planning application and building permit fees, waivers of Road Disruption Activity Reporting System (RoDARS fees) and an exemption of development charges (DCs), community benefits charges (CBCs), and parkland dedication fees (where not already exempted under provincial legislation). Eligible projects can also receive an exemption from property taxes for the duration of affordability, subject to Council approval.
Indigenous Funding Stream	The Indigenous Funding Stream provides capital grant funding, pre-development repayable loan funding and financial incentives dedicated to Indigenous organizations to advance the HousingTO Plan target of approving 5,200 homes for Indigenous, by Indigenous, and the City's commitments to truth, justice, and reconciliation.
Purpose-Built Rental (PBR) Housing Incentives Stream	The Purpose-Built Rental (PBR) Housing Incentives stream is unlocking new purpose-built rental housing supply while also securing the creation of new affordable rental homes in projects that can rapidly begin construction. Phase 1 of the PBR stream closed in 2024. The City is launching Phase 2 of the PBR stream in Summer/Fall 2026 to identify and approve 10,000 new homes for City support, including at least 2,000 Affordable Rental Homes and up to 8,000 Market Rental homes.
Capital Funding Stream	The Capital Funding stream provides grant funding to support the development of Affordable Rental Homes. Eligible Community Housing Providers and private sector housing organizations can receive grant funding through a competitive Call for Applications to close funding gaps and accelerate the construction start dates for projects that prioritize key outcomes as identified by the City.

The Program Guidelines ("the Guidelines") provide information to assist eligible organizations from the Indigenous Housing sector with critical information about eligibility, City benefits available, and information on how to apply to access:

1. Community Housing Pre-Development Fund (CHPF)
2. Capital Funding
3. Affordable Rental and Rent-Controlled Housing Incentives (ARRCHI)

There is approximately $3 million in interest-free, repayable loan funding under CHPF and $10 million in capital grant funding available in 2026 through this Call for Applications for eligible Indigenous Housing Providers. This Call for Applications will remain open on a rolling basis and continue to accept applications until the City has exhausted available funding. The City will make funding decisions periodically throughout the year.

If you require accessibility support for any of the program materials, please contact the Housing Secretariat team at RHSP@toronto.ca.

1.2 Definition of Key Program Terms

Access Plan: A policy established by the Applicant and approved by the Executive Director, Housing Secretariat which shall specify how tenants are to be selected for the Affordable Housing Units and how information about such process is disseminated to the public.

Affordable Housing Unit: A housing unit in which Affordable Rent is charged, as defined in the applicable Agreement, commonly referred to throughout Program Materials as Affordable Rental Units, Homes and/or Housing.

RHSP Affordable Rent or RHSP Affordable Rents: Monthly occupancy costs at or below the lesser of the City's Affordable Rents and the Provincial Affordable Rents.

Average Market Rents or Average Rents or AMR: Average monthly Toronto-wide rents by unit type as determined in the end-of-year survey of City-wide rents for the prior calendar year published by CMHC; if CMHC does not publish a survey of City-wide rents, then "Average Market Rents" for the calendar year shall be City-wide average rents as determined by the City acting reasonably.

City's Affordable Rents: Monthly Occupancy Costs that are at or below the lesser of Average Market Rent or 30% of the before-tax monthly income of renter households in the City as follows all as determined by the City and published on the City's website.

1. studio units: one-person households at or below the 50th percentile income;
2. one-bedroom units: one-person households at or below the 60th percentile income;
3. two-bedroom units: two-person households at or below the 60th percentile income;
4. three-bedroom units: three-person households at or below the 60th percentile income,

City Benefits: Refers to a range of City funding and Incentives provided to support the development of affordable and rent-controlled housing.

Community Housing: Housing that is owned and/or operated by Community Housing Providers.

Community Housing Providers: Means Non-Profit Housing Organizations including community land trusts, Toronto Community Housing Corporation (TCHC), Toronto Seniors Housing Corporation (TSHC), Non-Profit Housing Co-operatives, and Indigenous Housing Providers.

Housing Benefits: Means a financial benefit provided for or on behalf of a tenant to make up the difference between the rent payable by a tenant and the rent payable to the landlord for a residential unit.

Incentives: Refers to a variety of exemptions and/or waivers provided by the City including from development charges, parkland dedication fees, community benefits charges, planning application fees, building permit fees, property taxes and Road Disruption Activity Reporting System (RoDARS).

Indigenous Housing Providers: Indigenous Housing Providers (IHPs) must be a Non-Profit Housing Organization in which Indigenous people are key decision-makers, such as Board members and/or senior management and meet the Indigenous Eligibility Criteria set out in this Call for Applications. IHPs are organizations who have a mandate to provide housing/services primarily to Indigenous people and are accountable to the Indigenous community by having a Board of Directors elected by, and from, the Indigenous community.

Monthly Occupancy Costs: Means the total of the monthly rent payable to the applicant for an Affordable Housing Unit including the cost of hydro, heat, water and hot water; and monthly occupancy costs do not include charges for applicable taxes, parking, cable, internet, telephone or any other like charges.

Non-Profit Housing Co-operative: means a co-operative corporation in good standing incorporated as a non-profit housing co-operative as defined in the Co-operative Corporations Act, R.S.O. 1990, c. C.35, also referred to as a “Co-op”.

Non-Profit Housing Organization: means a corporation in good standing incorporated under the Not-for-Profit Corporations Act, 2010, S.O. 2010, c.15 or the Canada Not-for-Profit Corporations Act, S.C. 2009, c.23, and includes an Indigenous Housing Provider or community land trust organized on a not-for-profit basis.

Planning Application Fees: Refers to charges collected by the City to recover the costs of reviewing, processing, and making decisions on development and planning applications under the Planning Act, R.S.O. 1990, c. P.13. These fees include but are not limited to applications such as Official Plan Amendments (OPA), Zoning By-law Amendments (ZBA), Site Plan Control, Consents, and Minor Variances.

Pre-Development Activities: Activities related to site and project due diligence required to prepare a project for entering the development phase (i.e. detailed design, building permit, financing, and construction).

Provincial Affordable Rents: The affordable rents by bedroom type set out in the "Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin", as it is amended from time to time, that is published by the Minister of Municipal Affairs and Housing pursuant to section 4.1(2) of the Development Charges Act, 1997, S.O. 1997, c. 27, or successor legislation.

Rent-Geared-to-Income (RGI) Homes: Also referred to as subsidized or social housing, is housing where rent is no more than 30% of a household's monthly Adjusted Family Net Income (AFNI). For households in receipt of social assistance, the rent is based on the maximum shelter allowance set by the Ontario government.

Rent-Controlled Rent: Monthly occupancy costs for a unit that are at or below one hundred fifty percent (150%) of the Average Market Rents when first rented to a new tenant, and that are increased in respect of a tenancy not more than annually and by no more than the rent increase guideline plus two per cent.

Rent-Controlled Unit: A housing unit or units at Rent-Controlled Rent, as defined within the Template Pre-development Loan Fund Agreement, commonly referred to throughout Program Materials as Rent-Controlled Units and/or Homes.

Rent Increase Guideline: The prevailing rent increase guideline established each calendar year pursuant to the Residential Tenancies Act, 2006, S.O. 2006, c. 17, or any successor legislation.

Road Disruption Activity Reporting System Fee (RoDARS): Road Disruption Activity Reporting System (RoDARS) is the traffic management fee associated with the coordination of temporary closures of sidewalks, bike lanes, and roads for construction activities where the right of way for Torontonians is impacted. The fee is calculated depending on the type of road(s), closure length, and impact on congestion and in accordance with the Eligible Affordable and Rent-Controlled Housing Project RoDARS Fee Policy adopted by City Council. The value of the fee reduction is proportional to the number of eligible Rent-Controlled and Affordable Housing Units in the development. For example, a project with 100% Affordable Housing Units will have this fee reduced to zero Note: this is not the same as Street Occupation Permit, which is the fee for using City property for construction activities and is not part of the incentives available under RHSP.

Supportive Housing: Permanent Rental housing where additional wrap-around support services are provided to tenants to improve their housing stability, health, and well-being. These are generally RGI homes and prioritized for individuals experiencing or at risk of homelessness.

Transitional Housing: A type of temporary housing designed to help people move from homelessness or unstable housing into permanent housing, typically for a period ranging from a few months to up to four years and often requiring participation in on-site programming.

Utility Allowance: Means the average amount of separately metered utility costs, determined by the City and published on the City's website.

1.3 Stay Informed

Organizations are encouraged to join the City's Affordable Rental Housing RFP & Opportunities Registry Listserv by signing up on the City's Rental Housing Supply Program website. Registered organizations will be notified by email of any program updates and when calls for applications and proposals are issued.

Please note that any updates or revisions to these Guidelines or the Call for Applications will be issued by addendum and posted electronically on the RHSP Call for Applications webpage on the City's website found here.

2. PROGRAM REQUIREMENTS

2.1 Minimum Eligibility Requirements

This section describes core eligibility requirements for Indigenous Housing Providers and the Affordable Rental Housing projects that can be supported through the program.

Section A. Project and Organization Requirements

2.1.1 Eligible Organization Types

To qualify for the Indigenous Funding Stream, Indigenous Housing Providers must meet the definition outlined in Section 1.2 and all of the following criteria:

1. They must be permanently based in the GTA in which key decision-makers, such as membership, directors and senior management are majority Indigenous;

    a. For the purpose of this funding call, the GTA is defined by the geographic boundaries of Toronto, Durham, York, Peel and Halton.
    b. For the purposes of this Call for Applications, majority Indigenous means that 51% or more of the entity is Indigenous owned and controlled.
        i. An organization may prove this requirement by being registered on the Government of Canada's Indigenous Business Directory, but this is not a requirement for qualification.
    c. Joint ventures between Indigenous and non-Indigenous organizations may be accepted, provided that the Indigenous organization is permanently based in the GTA and has at least 51 percent ownership and control of the joint venture.

2. They must have a mandate to provide housing and/or services primarily to Indigenous people:

    a. This must be proven through an Indigenous businesses' Articles of Incorporation, Letters Patent, an attestation letter or through providing a portfolio of projects demonstrating a commitment to the Indigenous community.

3. They must be accountable to the Indigenous community by having key-decision makers, governing members or Directors elected by members from the Indigenous community, and from the Indigenous community.
    a. This requirement will be met if the Board is primarily comprised of members who are Indigenous or if the membership is majority Indigenous.

4. They must provide a completed Indigenous Housing Provider Letter of Attestation, attached as Appendix 6 to this Call for Applications.

(collectively, “Indigenous Eligibility Criteria”)

Only Applicants who meet the Indigenous Eligibility Criteria are eligible to apply to the RHSP Indigenous Funding Stream.

For partnership projects between Indigenous Housing Providers and non-Indigenous organizations, it must be demonstrated that: i) the Indigenous Housing Provider(s) meet the definition outlined in Section 1.2 and Eligibility Criteria above and ii) the Affordable Housing project will remain within the Indigenous Housing Provider(s)’ control and all policy, governance, and decision-making matters reside with the Indigenous Housing Provider. Further, to qualify for the Indigenous Funding Stream, both the ownership and the operation of the Affordable Housing project must remain with an eligible Indigenous Housing Provider.

Indigenous Housing Providers that do not meet the above eligibility criteria but qualify under the RHSP IHP definition are welcome to apply for the rolling Call for Applications for the Community Housing Pre-Development Fund.

2.1.1a Proof of Indigenous Identity

All Indigenous Housing Providers will be required to submit a completed Indigenous Housing Provider Letter of Attestation with their application package as outlined in **Appendix 6**.

To maintain the integrity of this Call for Applications, Miziwe Biik Development Corporation reserves the right to confirm the validity of an Indigenous Housing Provider through their review of the Indigenous Housing Provider Letter of Attestation (“Proof of Indigenous Identity process”).

Applicants are prohibited from misrepresenting their relevant experience and qualifications in relation to any selection process, including any misrepresentation of Indigenous identity in an RHSP application. The Applicants acknowledge that the City's process of evaluation may include information provided by the Applicant or provided by the references as well as records of past performance on previous projects with the City or other public bodies. Any misrepresentation may result in immediate disqualification of the Applicant from current and future funding opportunities, or the termination of any resulting agreement.

2.1.2 Eligible Project Types

RHSP is intended to support the development of net-new Affordable Rental Housing within the following project types:

- New construction of affordable rental housing
- Conversion of non-residential buildings to affordable rental housing
- Addition of new affordable rental housing buildings/units to existing sites/buildings
- Social housing redevelopment that involves building new units/additions on social housing sites may also be eligible, provided appropriate consents are obtained under the *Housing Services Act, 2011*

For further clarity of the above eligible project types:

- Affordable Rental Homes Secured Through City Planning Policies: Projects that include affordable housing secured through Planning policies and programs, including the Official Plan, Secondary Plans, site and area specific policies, Inclusionary Zoning, the conversion of office space to residential use, or through in-kind community benefits charges are eligible to apply. Affordable units secured under these policies are only eligible to be counted in the $50,000 of repayable loan funding available or $260,000 of capital grant funding per Affordable Rental Home if the application demonstrates that the proposed affordability under RHSP exceeds the minimum requirements that are set out in the relevant Planning policies.

Applicants are strongly encouraged to provide rental housing where there is a landlord-tenant relationship and tenants are recognized by the Residential Tenancies Act, 2006 (RTA). In limited circumstances, the City may support Transitional Housing programs which do not operate with an RTA lease. If proposed projects contemplate using a non-RTA occupancy agreement, applicants will be required to provide details through their submission regarding the intended long-term housing stability plan for their clients. Projects may also be Non-Profit Housing Co-operatives.

2.1.3 Ineligible Project Types

The following project types are not eligible for funding under the RHSP Indigenous Funding Stream:

- Nursing and retirement homes
- Long-term care facilities
- Shelters and crisis care facilities
- Student residences
- Rental Replacement Units: Projects involving the demolition and replacement of existing rental units cannot include those units towards the minimum 20% Affordable Rental Home requirement under RHSP and are not eligible to receive City Benefits for those units, regardless of whether the project is subject to Toronto's Residential Rental Property Demolition and Conversion Control By-law (Chapter 667 of the Toronto Municipal Code).

2.1.4 Control of Land (owned, to be owned and/or leased)

The RHSP Indigenous Funding Stream is intended to support Indigenous Housing Providers to develop new Affordable Rental Homes on land they own, lease, or have a binding agreement to acquire an interest in, for a duration of the minimum affordability period of 40 years. Land and building acquisition costs are not eligible under the RHSP. Applicants interested in pursuing an acquisition opportunity are encouraged to consider the City's Multi-Unit Residential Acquisition (MURA) Program.

For lands subject to a lease agreement, the lease must include a provision that allows the applicant to pursue the development of and operate the net new Affordable Rental Homes for a duration of the minimum affordability period of 40 years.

If the lands are not currently owned or leased by the Applicant, then applications will be considered on the following terms:

A. Incentives Conditional on Transfer of Land

If there is a signed Letter of Intent (LOI), an offer to lease, and/or an Agreement of Purchase and Sale (APS) that meets the above criteria and requires the transfer of the interest in the lands within 6 months, conditional approval may be granted to the Indigenous Housing Provider. However, approval of Incentives and execution of the applicable Contribution Agreement will be conditional on the closing of the land transaction within 12 months from the approval date.

The application must include either:

1. A Letter of Intent (LOI) signed by both the Applicant and the current landowner, including a statement confirming when a binding agreement of purchase and sale or an offer to lease (meeting the conditions below) will be entered into and at what project stage the land is expected to be transferred to the Applicant; or,

2. A signed Agreement of Purchase and Sale (APS) or offer to lease for the lands must be submitted with the application, as well as:

- A statement that the APS is in full force and effect and has not been terminated;
- A statement that all conditions that are required to be met as of the date of the application have been met or waived by both the purchaser and the vendor;
- Confirmation of the anticipated closing date, which is to be within 6 months from the signing of the APS; and
- Evidence that the Applicant is able to fund the closing of the purchase.

Projects that are subject to a LOI or APS and who meet the requirements above may receive conditional approval under the RHSP Indigenous Funding Stream. Approval of the loan and execution of the applicable Contribution Agreement will be conditional on the following:

- The execution of the applicable Contribution Agreement between the City, the applicant(s), and current landowner, securing the value of the loan on title with the loan flowing to the Indigenous Housing Provider; or
- Securing the value of the loan on other assets owned by the applicants.

B. Incentives Provided Prior to Land Transfer

For Applicants applying for Capital Funding who are eligible for Incentives, if an Applicant can demonstrate that Incentives are needed prior to ownership of the project lands by the applicant, the City will consider such applications if the application includes the materials above and includes the current landowner as co-applicant (one of the Applicants). Projects meeting this requirement may receive approval under the RSHP Indigenous Funding Stream conditional on the execution of the Contribution Agreement by the Indigenous Housing Provider and the landowner, and registration of a charge by the landowner in favour of the City on the Project lands as required under these Guidelines.

The City will review all applications where the Applicant does not own or lease the project lands, on a case-by-case basis and in accordance with the requirements in this section. The City has full discretion to refuse any LOI, offer to lease or APS regardless of its contents or proposed terms.

Where the registered owner of the lands that are being developed does not also own the beneficial interest in those lands, the owner of the beneficial interest must also meet the definition of an Indigenous Housing Provider and Indigenous Eligibility Criteria, and evidence of same must be submitted with the application.

2.1.5 Development Review Status

The RHSP Indigenous Stream is intended to support projects can demonstrate a viable path to achieving construction start within approximately three years for CHPF and within two years for Capital Funding. Applicants are required to have completed a Pre-Application Consultation (PAC) and have received PAC Comments and Planning Application Checklist Package from the City's Development Review Division prior to applying to the RHSP Indigenous Funding Stream, including a drawing of the proposal that demonstrates conceptual site plan and elevations (or more detail as available). For a development of ten or fewer units that are either in compliance with Zoning or only requires a Minor Variance, a Zoning Notice (ZAP), can be submitted in place of confirmation of PAC. Applicants that have demonstrated the ability to achieve earlier construction starts will be prioritized.

Applicants applying for incentives will be asked to identify the current stage of development review and to confirm which application fees have already been paid. Projects awaiting an Ontario Land Tribunal (OLT) decision are encouraged to wait for the final OLT decision to be made before applying for Incentives. If an application is submitted before a decision has been made by the OLT, review may be paused until the outcome is confirmed.

Project approval through the RHSP Indigenous Funding Stream does not indicate City support or approval of any current or pending planning application(s). It is the responsibility of applicants to secure all planning approvals, building permits and any other required City approvals through those independent processes.

2.1.6 Securing the CHPF Repayable Loan, Capital Funding and Incentives (Legal Agreements)

Whenever providing incentives or funding towards affordable housing projects, the City secures the affordable housing outcomes achieved by way of legal agreements and by registering the value of City Benefits on title to the lands:

For CHPF:

- City Benefits must be secured via a Pre-Development Funding Agreement with the City.
- The value of the CHPF repayable loan will be secured by way of a Charge/Mortgage of Lands (the “City Charge”) registered against the Applicant’s lands for the length of the loan period.

For Capital Funding and/or Incentives:

- City Benefits must be secured for a term matching the Affordability Period of the Project (40 to 99 years) via a Contribution Agreement with the City.
- The value of the City Benefits will be secured by way of a Charge/Mortgage of Land (the “City Charge”) registered against the Applicant’s lands.
- As required, an agreement under Section 4.1 of the Development Charges Act will be entered into between the City and the registered owner of the Project lands to secure the DC, CBC and parkland dedication exemptions for Affordable Housing Units. This agreement must be registered on title and in priority to all other encumbrances (see Template 4.1 Agreement for more information).
- As required, a restriction under Section 118 of the Land Titles Act restricting the transfer or charge of the subject lands without the consent of the Executive Director, Housing Secretariat must be registered by the applicant on title to the Project lands in priority to all other encumbrances (see Template 4.1 Agreement for more information).

For more details refer to the Pre-Development Funding Agreement, Contribution Agreement and 4.1 Agreement templates released as part of the Call for Applications on the City’s Open Calls for Affordable Housing Initiatives page.

Section B. Affordable Rental Housing Requirements

2.1.7 Proportion of Affordable Housing

To be eligible to apply for any City benefits under the RHSP Indigenous Funding Stream, a minimum of 20% of the project’s residential units must be Affordable Rental Units.

Small projects delivering 10 residential units or fewer, may be exempt from the requirement to provide 20% of residential units as Affordable Rental Housing, subject to consultation with and approval by City Planning.

If an applicant has been previously approved for City funding and/or incentives under legacy program i.e. Open Door and is applying for the RHSP Indigenous Funding Stream, all Affordable Rental Units in their proposed project will need to comply with RHSP affordability requirements. If a project is approved, this may require amendments to existing agreements.

2.1.8 Rent

Rents for Affordable Rental Homes cannot exceed the RHSP Affordable Rent. The table below outlines the current RHSP Affordable Rents. In Affordable Rental Homes where tenants pay directly for a utility cost, they are entitled to a Utility Allowance which is deducted from their Rents. Current utility allowances can be found on the City's webpage.

Unit Type	Maximum Rent
Dwelling Room	$899
Studio	$1,127
1-Bedroom	$1,426
2-Bedroom	$2,055
3-Bedroom	$2,290
4-Bedroom	$3,245

Any updates to RHSP Affordable Rents will be published on the Rental Housing Supply Program website as new rents become available.

2.1.9 Rent Increases

Rents for Affordable Rental Homes shall increase by no more than the Rent Increase Guideline, to an amount not to exceed the current RHSP Affordable Rent. In the event RHSP Affordable Rents decline, there is no requirement to reduce the rents of existing tenants. On turnover, the rents cannot exceed the RHSP Affordable Rent.

2.1.10 Duration of Affordability

The units must be secured as Affordable Rental Housing for a minimum period of 40 years from the date of first occupancy, with a target period of 99 years.

2.1.11 Unit Mix and Sizes

The Affordable Rental Homes must comply with unit size and mix requirements as determined by the Executive Director, Housing Secretariat, and may include the the City's Affordable Housing Design Guidelines. Generally, the Affordable Rental Homes in the development must be equivalent in mix of unit types (e.g., studio, 1-bedroom) and in size, layout and finishings of units, as to the other residential units in the development.

2.1.12 Creating New Rent-Geared-to-Income (RGI) and Supportive Homes

Creating new RGI and supportive housing are critical components of Toronto's HousingTO Plan and the City welcomes applications that intend to build more of these homes for Indigenous residents. Supportive housing often meets the same affordability level as RGI housing, with the addition of support services provided to tenants to assist in maintaining housing stability and to improve their health and well being.

Applicants who intend to offer rental units as RGI or Supportive Housing should provide this information as part of their application. Applicants including Supportive Housing in their application are strongly encouraged to identify their own sources of operating funding for support services. The City cannot guarantee the availability of RGI subsidies or support services funding.

Section C. Rent-Controlled Unit Requirements (Incentives)

Reminder: Indigenous Housing Providers are eligible for financial incentives for Rent-Controlled Units meeting the requirements below. To be eligible, a minimum of 20% of the project's residential units must be Affordable Rental Units.

2.1.13 Rent

Rents for Rent-Controlled Units may be set up to 150% AMR for the City of Toronto. The table below provides the current Rent-Controlled Rent for the City of Toronto by unit size. Any updates to RHSP Affordable Rents will be published on the Rental Housing Supply Program website as new rents become available.

Unit Type	Maximum Rent (150% AMR)
Studio	$2,184
1-Bedroom	$2,572
2-Bedroom	$2,977
3-Bedroom	$3,385
4-Bedroom	$4,867

2.1.14 Rent Increases

Rent-Controlled Rents may increase annually for existing tenants by no more than the Provincial Rent Increase Guideline +2%. On turnover, the rent cannot exceed the published Rent-Controlled Rents for the unit.

2.1.15 Duration of Affordability

The units must be secured as Rent-Controlled Units for a minimum period of 40 years from date of first occupancy, with a target period of 99 years.

2.2 Housing Benefits Requirements

Applicants must make a minimum of 20% of the Affordable Rental Homes in the development eligible for tenants in the receipt of Housing Benefits to provide an RGI-level home. Applicants may indicate in their application if they are willing to make a greater proportion of the Affordable Rental Homes available to households in receipt of housing benefits (beyond the minimum 20%), and whether they will require funding for these units from the City or have their own sources. The City is not able to guarantee the availability of Housing Benefit funding on any given year or on an ongoing basis.

2.3 Operating and Access Requirements

Organizations approved through RHSP must follow the City's requirements for tenant selection, income verification, reporting, and the overall administration of Affordable Rental Homes and Rent-Controlled Homes, as applicable.

These ongoing operating requirements are detailed in the applicable agreements.

- All Affordable Housing Units will be required to utilize the Centralized Affordable Rental Housing Access System. To support access to Affordable Rental Homes for the Indigenous community, alternative Indigenous referral pathways may be proposed and will be considered, subject to approval by the Housing Secretariat.
- Rent-Controlled Homes will not be filled through the City's centralized access system.
- All housing benefits units, including Rent-Geared-to-Income (RGI) units must be filled through the City's centralized RGI waitlist with Indigenous priority applied where applicable or an approved alternative referral pathway.
- New prospective tenants of Affordable Rental Homes and Rent-Controlled Units are to be income-tested to ensure their household income is no more than four times the rent of their unit. This applies for all new households, at initial occupancy.
- Tenanting of all Affordable Rental Homes must be completed in accordance with a City-approved Access Plan, which must be agreed upon before occupancy.

3. CITY BENEFITS AVAILABLE UNDER THE RHSP INDIGENOUS FUNDING STREAM

Through this funding stream, eligible Indigenous Housing Providers may apply for any combination of funding and City benefits outlined below. Applicants will outline the requested incentives or funding through the Application Package and are encouraged to submit one Application Package per project. If an eligible Indigenous Housing Provider has more than one housing project and is requesting different incentives/funding for their respective projects, they will be required to submit separate Application Packages.

City Benefits	Affordable Rental Homes	Rent-Controlled Homes
Capital grant funding	Up to $260,000 per unit	X
Pre-development loan funding	Up to $50,000 per unit	X
Incentives (Exemptions/Waivers etc.)		
Development Charges	Y	Y
Parkland Dedication Fees	Y	Y
Community Benefit Charges	Y	Y
Planning Application Fees	Y	Y
Building Permit Fees	Y	Y
RoDARS Application Fee and Traffic Management Recovery Fees	Y	Y
Residential Property Taxes	Y	Y

3. CITY BENEFITS AVAILABLE UNDER THE RHSP INDIGENOUS FUNDING STREAM

3.1 Financial Incentives

Through this stream, Indigenous Housing Providers are eligible for Incentives under the Affordable and Rent-Controlled Rental Housing Incentives Stream (ARRCHI) to develop and operate a range of rental homes. Approved projects will receive financial incentives in the form of exemptions and/or waivers from fees or charges that have not yet been paid. The City is unable to refund any fees that have already been paid. Financial Incentives will be advanced in accordance with the project's development milestones.

Approved projects are eligible for financial incentives for the following types of units within eligible projects:

1. Affordable Housing Units
2. Rent-Controlled Units

Affordable Rental Housing Incentives

Affordable rental units are eligible for the following incentives:

- Waiver of Planning Application Fees
- Waiver of Building Permit Fees
- Exemption from RoDARS application and exemption or reduction from RoDARs traffic management recovery fees
- Exemption of Community Benefit Charges* (if not exempt by provincial legislation)
- Exemption of Development Charges* (if not exempted by provincial legislation) including Education Development Charges (EDCs)
- The Toronto District Catholic School Board Development Charges (TCDSB) has recently amended its Education Development Charges (EDC) by-law to exempt City-supported affordable rental housing development led by eligible Indigenous organizations from the payment of EDCs.
- Exemption from Parkland Dedication* (if not exempted by provincial legislation)
- Exemption from Residential Property Taxes (for the term of affordability)
    - Note: Council approval is required for property-tax exemptions; this will be obtained through staff-led Council report approvals.

*All units meeting the RHSP Affordable Rent level are eligible for statutory exemptions from development charges, parkland dedication fees, and community benefits charges under the Development Charges Act and the Planning Act. These exemptions will be provided subject to applicants executing necessary agreements.

Rent-Controlled Housing Incentives

Indigenous Housing Providers that provide a minimum of 20% of their residential units as Affordable Rental Homes are eligible for the following incentives for Rent-Controlled Units in their development:

- Waiver of Planning Application Fees
- Waiver of Building Permit Fees
- Exemption from RoDARS application fee and exemption or reduction of RoDARS traffic management recovery fees
- Exemption of Community Benefit Charges (if not exempt by provincial legislation)
- Exemption of Development Charges (if not exempted by provincial legislation) excluding Education Development Charges (EDCs)
    - The Toronto District Catholic School Board Development Charges (TCDSB) has recently amended its Education Development Charges (EDC) by-law to exempt City-supported affordable rental housing development led by eligible Indigenous organizations from the payment of EDCs.
- Exemption from Parkland Dedication (if not exempted by provincial legislation)
- Exemption from Residential Property Taxes (for the term of affordability)
    - Note: Council approval is required for property-tax exemptions; this will be obtained through staff-led Council report approvals.

15% Property Tax Reduction for New Rental Buildings: On November 13- 14, 2024, City Council adopted a new Multi-Residential Property (Municipal Reduction) Tax Subclass, to enable a 15% reduction to property taxes for all eligible new rental housing developments. Eligible organizations will automatically be provided this reduced taxation rate through their annual property tax bill and is not tied to approval under the RHSP.

3.2 CHPF Loan Funding

There is approximately $3 million in interest-free, repayable loan funding available in 2026 through this rolling Call for Applications.

Approved projects will be provided **interest-free repayable loan funding** for eligible pre-development activities proposed through the business case. Funding amounts will be determined based on details provided in the business case only. Applicants are required to submit detailed business cases including specific activities and actual or estimated costs, and include quotes or invoices where possible. The City will not provide more than $50,000 per Affordable Rental Home in loan funding to any one project.

CHPF Eligible Costs

CHPF provides repayable loan funding for a range of pre-development activities. Costs incurred after February 28, 2025, including but not limited to the following activities are eligible:

- Business plans, including costs related to responding to requests for proposals
- Analysis of need and demand for the proposed project
- Preliminary design, project drawings and specifications
- Environment site assessments
- Preliminary financial feasibility
- Accessibility modelling study
- Energy modelling study
- Engineering studies
- Geotechnical reports
- Construction cost estimates
- Development Consultants
- Professional appraisals, Completion appraisals Site surveys, Special purpose surveys
- Quantity surveyor/ Cost Consultant (required for draw requests)
- Costs associated with an escrow agent (required for setting up payment of loan disbursements)
- Contract documents
- Final viability report
- Project viability study
- Registration of security

Advancing of Pre-Development Funds

The intent of pre-development loan funding is to ensure steady progress of Indigenous-led housing projects towards securing planning approvals and achieving construction start within three years.

Successful Applicants will be required to:

- Execute a Pre-Development Funding Agreement with the City outlining obligations of the Applicant with respect to the pre-development work.
- Register a mortgage on title or provide other satisfactory security, as determined by the Executive Director, Housing Secretariat, in consultation with the City Solicitor, in favour of the City, for the value of the City's pre-development funding.
- Apply for other available Federal or Provincial pre-development funding programs, where available.

Successful Applicants must secure the services of a cost consultant and escrow agent. The loan funding approved under this program will be held in escrow by the Successful Applicant's escrow agent and disbursed to the Successful Applicant generally in accordance with the payment schedule below. A cost consultant report will be required to be submitted for each requested draw.

Payment structure will generally reflect the following guidelines:

- 100% of the loan is advanced to the escrow agent following execution of the Pre-Development Funding Agreement and Escrow Agreement and satisfaction of conditions precedent;
- Up to 30% of the loan will be advanced to the Applicant from the escrow agent upon execution of the Agreements; and
- The remaining 70% of funding will be advanced to the Applicant from the escrow agent based on paid invoices evidencing eligible costs incurred as outlined in Section 3.1 of these Guidelines.

As part of the review and approval process, City staff will make the determination of the eligible amount for the first release based on the business case submitted by the Applicant and may alter the payment schedule from the above guidelines.

3.3 CHPF Repayment Structure

Repayment structure of the pre-development funding will vary on a project-by-project basis; however, repayment will be required to begin no later than the earlier of:

- The date at which the Applicant has made their first construction funding or financing draw; or,
- Three years (36 months) from approval of CHPF by the City.

The Executive Director, Housing Secretariat retains the right to extend the term of the pre-development loan at their sole discretion.

3.4 CHPF Terms of Forgiveness

The pre-development loan funding may be forgiven in whole or in part at the sole discretion of the Executive Director, Housing Secretariat in consultation with the Executive Director, Housing Development Office under limited circumstances where the project:

1. is not feasible as an affordable rental development as a result of findings of pre-development site due diligence;
2. faces significant changes to project specifications and timelines as part of the pre-development due diligence work that render the project non-viable,
3. faces unresolvable barriers such as changes to government funding programs, or inability in securing construction financing against the Applicant's best efforts; and
4. faces other conditions beyond the Applicant's control including market, project governance or legislative changes that will prevent the project proceeding against the Applicants' best efforts.

3.5 Capital Funding

The City is making approximately $10 million in Capital Funding available in 2026 through this rolling call. Capital Funding is limited and applications will be subject to a thorough evaluation process jointly undertaken by the City and MBDC. The amount of Capital Funding requested should be detailed and fully supported in the application.

The City may provide up to $260,000 in Capital Funding per Affordable Rental Home where Applicants can demonstrate this funding is required to fill an outstanding equity gap after contributions from the Applicant, other government sources, and construction financing have been maximized.

All Applicants will be required to justify requests for Capital Funding by way of providing detailed project financial information including capital and operating budgets demonstrating that other funding and financing sources have been maximized. All hard and soft costs related to the development of new Affordable Rental Homes are eligible to be funded under the program.

RHSP supports mixed-income developments that include at least 20% of residential units as Affordable Rental Homes. In these mixed-income projects, the remaining residential units are not eligible for Capital Funding.

Capital Funding will be provided by the City in the form of a forgivable loan. The City will secure the value of any Capital Funding on title, as described in Section 2.1.6. Capital Funding will be advanced in accordance with project development milestones. Applicants should consult the template Contribution Agreement for more information.

3.6 Development Review Supports and Services

Approved projects through the RHSP Indigenous Stream will be assigned a staff contact within the Housing Development Office who will support the successful applicant in the delivery of the new affordable housing project.

Projects approved through RHSP may be supported through a prioritized development review process called the Priority Development Review Stream (PDRS) within the City's Development Review division. The City has taken various steps to improve the development review process, to improve the speed, flexibility and predictability of how the City processes development applications and to ensure a more streamlined process for all applications. Projects approved under RHSP are considered for inclusion in the PDRS, but are not guaranteed to be supported through PDRS.

4. APPLICATION AND REVIEW PROCESS

The application window will be available year-round to receive applications and will be reviewed on a rolling basis. Please note that the review and approval process may take approximately 6-8 weeks from the time a complete application is received. Applicants are encouraged to keep this timeline in mind when coordination submissions to other programs or funding opportunities.

By submitting an application, applicants will be required to certify that they have reviewed all these documents, agreed to the terms of the applicable agreements i.e. Pre-Development Funding Agreement and Contribution Agreement, and agreed to the Terms and Conditions of the application process.

4.1 Application Package

Applicants must submit a complete application package. A detailed list of instructions and all requirements on how to apply for any combination of Capital Funding, Pre-Development Loan Funding and Affordable Rental and Rent-Controlled Housing Incentives under the Indigenous Funding Stream is provided in the Submission Checklist and Application Package found on the City's Open Calls for Affordable Housing Initiatives page.

4.2 Review Process

Applications for RHSP Indigenous Funding Stream will open on a rolling basis, and will be subject to a thorough eligibility review, evaluation, and scoring process. Applicants are reminded that funding is limited and projects may not be approved for the full amount of funding requested in their application.

Applications will be evaluated by a review committee of City staff and staff from MBDC. Proposals will be scored using a consistent set of criteria as outlined in the Application Package. Following the review process, City staff may invite select Applicant(s) to participate in an interview, to better understand the proposed project and confirm their eligibility for capital or pre-development funding. The interview will be used to clarify information in the application. No new information is permitted. The interview will be used to confirm or revise the applicant's score before a final decision is made by the City.

4.3 Evaluation Criteria

Applications will be assessed based on the criteria set out below. For applications requesting both CHPF and Capital Funding, each funding request will be evaluated and scored separately.

A successful application must score a minimum of 70 points in total, as well as a minimum of 70% within each section of Criteria outlined below.

Applications for incentives are not scored and are awarded based on meeting minimum program requirements

The City shall not be obliged to accept any applications in response to this Call for Applications. Please see the application package for more information on priority scoring for each respective funding stream.

Capital Funding

Criteria	Available Points
Mandatory Documentation Cover Letter Proposal Submission Form	Pass/Fail
1 Development Qualifications	20
2 Corporate Financial Viability + Financing Experience	10
3 Affordable and Rental Housing Management Qualification	15
4 Proposed Capital Funding and Financing Plan	20
5 Proposed Development Features, Plan and Schedule	15
6 Building Operating and Management Plan	15
7 Community Consultation and Communications Plan	5
TOTAL	100 Points

Community Housing Pre-Development Fund

Criteria	Available Points
1 Project Information	30
2 Applicant Qualification and Experience	25
3 Business Case and Funding Uses	30
4 Pre-development Work Schedule	15
TOTAL	100 Points

4.4 Approval Process

Successful Applicants will be notified in writing of the outcome of their application once the review process has been completed and approved by the Executive Director, Housing Secretariat. Successful Applicants will be required to execute any required agreements within 90 days of application approval. In order to obtain exemptions or waivers from applicable City charges, applicants must fully execute necessary legal agreements and register security as outlined in the applicable agreement.

An ARRCHI Approval Letter under the RHSP does not grant a project financial incentives. Once the required agreement has been executed and security has been registered to the satisfaction of the City, a letter confirming the approval of Incentives (“Incentives Letter”) will be issued. The Incentives letter can be provided to the relevant City Division at the time of fee payment to receive a waiver/exemption. If applicable, the payment of City funding will be tied to the development schedule as agreed to between the Successful Applicant and City and set out in the applicable agreement(s).

The City reserves the right to amend the payment schedule should the Applicant not meet the development milestones as outlined in their application. Should approved applicants fail to meet their proposed development milestones, the funding and City’s commitment to the Affordable Rental Homes and/or Rent-Controlled Homes may be withdrawn.