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Sustainable Affordable Housing:

Application Guide

updated 2022



A program of/
Un programme de la

FCM

Funded by/
Financé par

Canada

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Welcome and Introduction

The Federation of Canadian Municipalities' (FCM) Sustainable Affordable Housing (SAH) initiative, supports municipal, non-profit and cooperative housing providers to improve the energy efficiency and affordability of existing and new affordable housing units. SAH is delivered through FCM's Green Municipal Fund (GMF) and funded by the Government of Canada.

By retrofitting and building energy efficient housing, SAH aims to:

- Reduce energy and **greenhouse gas (GHG) emissions**
- Increase energy and housing affordability
- Improve building quality which will increase resident comfort, health and quality of life

SAH also aims to help the affordable housing sector to plan, build, operate and maintain more ambitious energy efficiency projects that achieve these benefits. SAH was made possible through a federal government contribution of \$300 million in Budget 2019. SAH funding can be combined with other funding programs including the Canada Mortgage and

Housing Corporation (CMHC) National Housing Co-Investment Fund, initiatives of the National Housing Strategy, and other funding programs including those available through the provinces and territories.

Why energy efficiency matters in affordable housing

Energy efficiency can make a big difference in the affordable housing sector. It reduces energy consumption, but also provides benefits like improving the health and wellbeing of residents. Other benefits include:

- **It saves you and/or your residents money:** Reducing electricity and fuel usage will save you or your residents money on energy bills. This can increase affordability or generate savings for future projects. It may even reduce instances of energy poverty.
- **It makes sense to integrate energy efficiency into your capital plans:** Many housing providers will be undertaking capital repairs to their aging stock in the coming years. Energy efficient strategies can be integrated while making other necessary capital repairs. This can save money and reduce resident disruption over time. For new construction, building with energy efficiency in mind now will reduce the need to upgrade later.

- **It can be a way to support and build better relationships with residents:** Sustainable, energy efficient projects that increase resident comfort and health tend to make residents happier. And including efficient, low-cost cooling is becoming more and more necessary in a warming climate. Opportunities for residents to learn about energy efficiency and engaging them in energy efficiency projects can build better relationships.
- **It reduces emissions:** Almost 20% of Canadian greenhouse gas emissions are from building energy use. Implementing **energy conservation measures (ECMs)** or switching to more environmentally friendly fuel options can reduce **GHG emissions**.

FCM designed SAH recognizing that including environmental measures in your project takes learning, planning and, potentially, additional funding. With SAH, you can plan your ambitious environmental project and access the funding and support needed to succeed.

How to use this guide

This document outlines everything you should know about SAH funding. It contains thorough instructions for how to apply, including tips for completing a great application. There is a section for each type of funding with specific directions on how to apply (i.e. planning, study or pilot grant or capital project financing). You can refer to the section you are applying for to provide the guidance you need and if you're hoping to come back for funding your project at later stages, you can look ahead to inform your plans. The appendices also include key reference materials to support your navigation of this document. **Key terms** are highlighted throughout and defined in more detail in **Appendix A: Glossary of Key Terms**.

More information on the program is available at greenmunicipalfund.ca/sustainable-affordable-housing.

IMPORTANT: If you are applying for project funding, you first need to create a profile on FCM's new [funding portal](#). Once you've completed your profile, use this guide to help prepare and submit your application.

If you need support on your application

For any questions about how to apply or about SAH funding, please contact an FCM representative through ginfo@fcm.ca or 1-877-417-0550.

SAH's Regional Energy Coach (REC) program is here to help you!

The REC program is a partnership of FCM and the BC Non-Profit Housing Association, the Community Housing Transformation Centre and the Co-operative Housing Federation of Canada. RECs offer one-on-one coaching and support to affordable housing providers of any size with projects at any stage. RECs identify opportunities for energy efficiency, assess project feasibility, share information about the types of technologies that can be used in your project, and support funding applications. Check out [this overview](#) for a detailed explanation on how you can get help from a REC and how to contact one.

HELPFUL RESOURCES



FCM has also created a library of resources and tools for retrofits or new build projects. The resource library is organized by project stage and also includes inspiring case studies and resources for resident engagement. Visit our [resource library](#) to explore and learn.



About the Funding Offer

Sustainable Affordable Housing (SAH) funding is offered to support retrofit and new build projects at all stages, including:

- **Planning**
- **Studies**
- **Pilot Projects**
- **Capital Projects**

While the funding is designed to support a project from initiation to construction, applicants can request funding at any stage and there is no requirement to access funding in sequence.

Applications are accepted year-round on an ongoing basis until annual funds are exhausted, at which time new applications are deferred to April 1 in the following fiscal year. If this occurs, it will be publicized on the FCM website and applicants will be informed.

What we offer

Funding overview

SAH funding provides grants and loans to support projects at various stages, specifically:

TABLE 1: SAH grants and loans

Project	Funding
Planning	<ul style="list-style-type: none">• Grant for up to 80% of eligible costs• Up to a maximum of \$25,000
Study	<ul style="list-style-type: none">• Grant for up to 50% of eligible costs• Up to a maximum of \$175,000¹
Pilot Project	<ul style="list-style-type: none">• Grant for up to 80% of eligible costs• Up to a maximum of \$500,000
Capital Project: Retrofit	<ul style="list-style-type: none">• Financing for up to 80% of eligible costs• Up to a maximum combined financing of \$10 million• Grants are available for 25%-50%² of total financing – grant and loan proportions are based on anticipated energy performance
Capital Project: New Build	<ul style="list-style-type: none">• Financing for up to 20% of eligible costs• Up to a maximum combined financing of \$10 million• 50% grant and 50% loan²

As noted in the table above, funding for a project is determined by a percentage of eligible costs, not necessarily total project costs. These costs are defined by GMF and are based on date incurred and activity types. For a full list of costs eligible for funding, please refer to [Appendix B: Eligible Costs table](#).

Who can apply

Applicant eligibility

The following organizations are eligible for SAH funding:

- Canadian municipal governments (e.g., towns, cities, regions, districts, and local boards thereof); or
- Canadian municipal corporations or municipal housing/service providers; or

¹ Note that should your study grant request be for less than \$25,000, it is recommended you apply for a planning grant. You may cover the same scope of work with this grant.

² An additional 10% grant is available for [Northern applicants](#) (i.e. 35%-60% of total financing for retrofits and 60% of total financing for new builds)

- Canadian non-profit, mission-driven affordable housing providers³; or
- Canadian non-profit cooperative housing provider.

The following organizations are not eligible for SAH funding:

- Organizations that are owned by provinces and territories;
- Private, for-profit companies⁴;
- Shelters; and
- Affordable home ownership programs.

Northern applicants

Housing providers located in the North⁵ experience higher costs for labour and materials, but ensuring homes are affordable generally means rent levels are not proportionate to the higher costs of capital projects. This makes loan payback more challenging. Thus, an additional 10% grant will be available to northern housing providers (i.e., for retrofits, minimum 35% grant for a 25% reduction in energy consumption and maximum 60% grant for a 50% reduction). For new builds, a grant of 60% will be available for projects that meet the required energy threshold outlined in Project eligibility – Required energy thresholds, below. Additionally, projects in the North are expected to take longer to complete. FCM will consider these differences when evaluating projects, consult regularly with northern providers and adjust the program funding and timelines if necessary.

Quebec municipal applicants

There is a slightly different process for Quebec municipal applicants. The pre-application needs to be downloaded from the funding portal and submitted by your municipality to the Ministère des Affaires municipales et de l'Habitation (MAMH). Once you have completed your pre-application, click View current form at the top of the Summary page. This will open the document in a new window, and you will be able to print the form as a PDF document. Once downloaded, you will be able to send the pre-application form to MAMH for review. The ministry will determine if your proposed project complies with Quebec policies before issuing an “Avis Favorable.” GMF may not contact the applicant until MAMH provides its compliance decision. Please visit <https://www.mamh.gouv.qc.ca/> for more information. GMF may provide some assistance if needed.

Municipal corporations and not-for-profit organizations do not need to submit application forms to MAMH and can submit to GMF directly.

³ Non-profit housing providers include those delivering: transitional housing, supportive housing, social/community/affordable/non-market rental housing. Transitional housing projects must demonstrate capacity to support residents in accessing permanent housing. Non-profit organizations or registered charities that do not currently operate housing but are looking to do so would be considered eligible for planning, study and pilot grants.

⁴ Any ownership structures that include a private, for-profit company, even if the lead applicant is a non-profit organization, will be considered ineligible. For a partnership or shared ownership structure to be eligible, all partners must be eligible organizations.

⁵ The North is defined as the three territories and the northern extent of seven provinces. This includes portions of the following provinces defined by [Statistics Canada codes](#): Newfoundland and Labrador (10), Québec (24), Ontario (35), Manitoba (46), Saskatchewan (47), Alberta (48) and British Columbia (59). This definition aligns with National Housing Strategy definition.

What your project needs to achieve

Project eligibility

Required energy thresholds

The purpose of SAH funding is to enable affordable housing providers to pursue ambitious reductions in energy consumption, either through retrofits or through highly energy-efficient new builds. The following table describes the energy thresholds required to apply for SAH funding:

Table 2: Eligibility thresholds	
Eligibility threshold	Description
Existing building retrofit: 25% or greater reduction in energy consumption	The project must aim to achieve a minimum 25% reduction in building energy consumption from current performance. Further incentives are offered for projects that achieve greater reductions, up to 50%, compared to current rates. A maximum of 10% of the total energy reduction can come from on-site renewable energy generation (e.g. solar or wind; note: geothermal heating is not considered renewable).
New build: Net-Zero Ready	The project must be working towards net-zero energy (NZE) or net-zero energy ready (NZER) . A NZER building is a high-performance building with very low energy demand. Buildings in most regions must target a net annual total energy use intensity (TEUI) ⁶ of less than 80 kWh/m ² at project completion. The positive impact of renewable energy generation may be included in the total energy use calculation. <u>Northern applicants</u> may target a net annual TEUI of up to 120 kWh/m ² . Although not required, the new build target can be achieved through a range of building performance standards (e.g., Passive House ®, or Canada Green Building Council's Zero Carbon Building).

6 Net Total Energy Use Intensity (net-TEUI) = [total building energy consumption (electricity + gas + any other fuels) - annual renewable energy production] / floor area

GMF does not specify energy-efficiency measures to be used in any project. Rather, the study should evaluate different technologies for their benefits to each project.

Projects may include energy efficiency measures, renewable energy generation, fuel switching measures, and non-energy measures (e.g., general repairs), provided the minimum eligibility threshold for energy consumption is achieved.

Total energy use intensity (TEUI pronounced “2E”): A measure of the total energy required by a building (heating, lighting, air conditioning, heating hot water, etc.) in a year based on the building’s square footage. Improving the TEUI value happens when you decrease the energy used in a building. An average building constructed to today’s standards would have a TEUI of approximately 200 kWh/m².

HELPFUL RESOURCES



For additional information on energy efficiency measures that can be included in your project to help you meet SAH’s energy thresholds, check out [Understanding Energy Efficiency – A guide for affordable housing providers](#).

Required affordability thresholds

Projects that meet the required energy criteria (above) are accepted as affordable housing if at least 30% of the units in the proposed building have rents at or below 80% of the local median market rent (MMR)⁷. This must be maintained for the duration of the loan repayment period with FCM.

Additional eligibility information

Equity of funding across Canada is a critical objective of GMF. As a result, projects from **repeat applicants** will be accepted but evaluated in consideration of fair funding distribution.

Portfolio projects are eligible to apply, however, each building must individually meet SAH’s affordability and energy eligibility requirements.

Building **usages other than housing** (e.g. commercial, office, cultural, service spaces) are permitted in SAH projects and eligible for funding, however, these spaces must not exceed 30% of the total building floor area.

In the case of a **building conversions** where a structure is being converted to affordable housing from a different usage, this would typically be considered a new build project (e.g. conversion of a commercial office building to a residential housing building). In the case of similar uses (e.g. residential but not affordable housing or hotel), if alterations affect more than 50% of the floor plan, these would also be a new build project. If the changes affect less than 50% of the floor area, the project would be considered a retrofit.

⁷ MMR is accessed via [CMHC’s Housing Market Information Portal](#). If your local MMR is unavailable through this resource, please contact GMF at gmfinfo@fcm.ca for an appropriate alternative.



Planning Grant

What we offer Funding overview



- Grant for up to 80% of eligible costs
- Up to a maximum of \$25,000

Planning grants provide a simple and fast tool to get a sustainable affordable housing project started. This grant can help gather the information needed to access additional sources of funding, such as SAH's study grant or CMHC's Seed Funding. You can also use a planning grant anytime pre-construction for specific activities that improve the environmental outcomes of your project.

This grant is flexible based on the needs of the applicant. Activities supported by the planning grant may include:

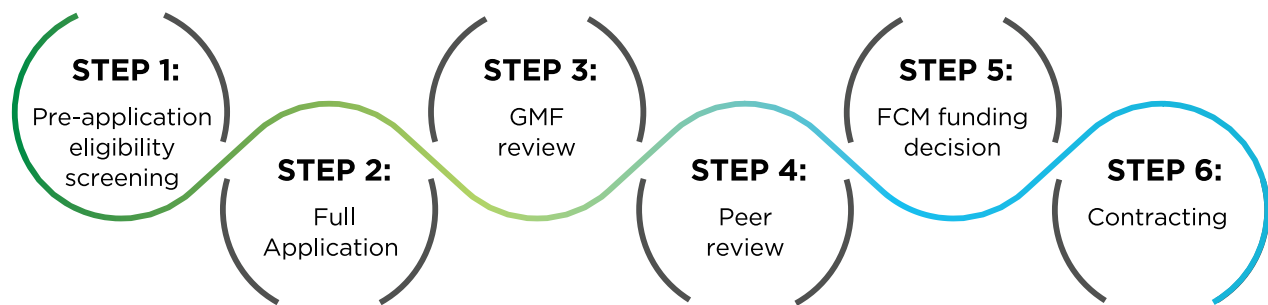
- Project initiation: meetings, project scoping, work plan and timelines, background review, project visioning and goal setting
- Needs assessment: **building condition assessment**, rental market analysis, resident support, preliminary review of building opportunities

- Basic financial assessment: review of current budget information, tasks and scope to assess magnitude of project costs, potential savings, and funding sources
- Stakeholder engagement activities, such as surveys and townhall meetings
- **Energy model** report or **energy audit** report and energy performance target identification
- Estimate of potential solar energy system size and annual production
- Support to identify and engage qualified design consultants, engineers and contractors

What to expect Application process

Planning grant applicants must go through a pre-application eligibility screening process, which consists of a series of simple questions to determine the eligibility of the organization and project. Once deemed eligible, you will proceed to the full application stage. If GMF has any questions at the screening stage, a representative will reach out to you to further discuss the proposal. At the full application stage, you will be paired with a GMF staff member that will act as your point of contact through the process and will review your file, provide feedback and may invite you to revisit steps to ensure the completeness and quality of your application.

This section below provides an overview of the application and review process.



STEP 1: Pre-application eligibility screening

Applicant responds to a series of simple questions to determine the eligibility of the organization and project.

STEP 2: Full application

If eligible, the applicant proceeds with a full application form, workbook and submission of additional required documents. GMF staff are available to assist applicants with any questions they have in filling out the full application form and workbook as well as questions regarding the supporting documents. When ready, please verify that all documentation is complete before submitting to GMF.

STEP 3: GMF review

GMF staff reviews the proposal for accuracy and completeness, working with applicants to resolve any remaining questions. Applications cannot proceed to peer review without all required documents.

STEP 4: Peer review

An external expert peer review panel provides analysis of the project proposal. Feedback from the peer review panel is shared with the applicant. Peer review evaluation is coupled with internal analysis to provide a funding recommendation.

STEP 5: FCM funding decision

Funding decisions for plans are made by a member of GMF leadership on behalf of GMF Council and FCM's Board of Directors.

STEP 6: Contracting

Following a successful application process, GMF staff will work with clients to successfully complete a contract with funding and disbursement terms and reporting requirements.

How to apply

Application instructions

Follow the directions below as you complete your SAH funding application. This guide includes all the information you will need to complete the full application for a plan. Your complete application will include:

- the pre-application eligibility screening
- the online application form
- a project workbook
- all required supporting documents

Navigate the FCM funding portal

All applicants requesting funding must complete their pre- and full application forms through FCM's [funding portal](#). To access the funding portal, you must register with FCM to create your client profile:

- From the funding portal home page, click Register Now.
- Fill in all the fields and click Submit. This will send a service request to FCM.
- Check your email. You will receive a message with a PIN and instructions for accessing the funding portal and choosing your password.

Once you have access to the funding portal and your client profile:

- Select My Applications from the menu on the left.
- Click the folder icon for the desired program name (FCM Green Municipal Fund – Sustainable Affordable Housing).
- Select New Submission. Click Next to select the project type you are applying to and complete the eligibility questions.
- If eligible, you will be informed that the full application is available through FCM's funding portal, ready for you to complete and submit.

TIP: Remember that you can save your progress at any time at the bottom of the page and return to the form later to revise or complete it.

Applicant information

Tell us who you are, where you are from, and a bit about your organization.

Participating organization

Please provide the name and role of each participating organization:

- **Lead applicant** – the organization that signs the contract with FCM, oversees the initiatives (even if it has a third party complete the work), incurs the costs of the initiative, and submits the required reporting to FCM. Please provide the contact information for the individual authorized to act on behalf of the lead applicant. Consultants may submit an application on behalf of a lead applicant, however, the lead applicant organization will necessarily be engaged during the process.
- **Lead municipality** – the municipality where the initiative is taking place or that will benefit from the initiative. If your organization is not a municipal government, the municipality in which the project is planned to be implemented must be aware of the project.

Organization information

Tell us about your organization (the lead applicant housing organization). Please include information on the following: how long you have been operating, how many units are in your portfolio, what population(s) you serve, and, if applicable, current operating agreement(s)/program(s) and if your organization is a member of any local, regional or provincial/territorial housing associations or networks.

Project team members

Please provide the lead contact on the project team. Non-municipal applicants should also provide your main contact at your local municipality. Other team members may also be added to collaborate on your application. Note that the lead contact will receive application processing updates.

Application support

GMF has partnered with the Community Housing Transformation Centre, the BC Non-Profit Housing Association, and the Co-operative Housing Federation of Canada to pilot a Regional Energy Coach (REC) initiative. These Coaches help providers initiate and plan energy efficient retrofits and new construction. If you received support from one of these organizations in the planning of your project, please let us know.

Awareness

Tell us how you heard about GMF and SAH funding.

Project information

Tell us about your initiative, the anticipated benefits, and why this project is important to your organization or community.

The **Project title** should:

- Describe whether the project is a retrofit or new build
- Mention the name of the sector or the name of the municipality/community
- Name the specific objective of the plan

Let us know if you already have a building in mind for this project or if you are still exploring. If yes, please specify what type of building and the number of units. If you don't have a building in mind, please explain why and the process you have planned to select or find one.

Project scope

Please describe the specific activities that you will undertake in this planning project and why you believe it is a good fit for SAH. Focus on deliverables that will be funded through this planning grant and how they will help your organization build or retrofit a sustainable affordable housing project. Provide any additional information regarding the project and how it addresses a need within your community.

Environmental considerations

Please describe the environmental outcomes that will be evaluated in this planning grant initiative. When doing so, please specifically refer to the required energy thresholds that you must meet to be eligible for funding (for new builds: net-TEUI of 80 kwh/m² (120 kwh/m² in the north); or for retrofits: minimum 25% energy savings). You are encouraged to include any considerations of GHG reductions and any additional environmental benefit(s) that will be explored. Please be as concise as possible and ensure that your application form response references and aligns with the specific activities/deliverables listed in the workbook.

Affordability

Please describe how the activities undertaken in this planning grant will consider the potential impact on the affordability of your project. Please focus specifically on how the anticipated energy savings can generate cost savings and how these savings might be applied. If possible, describe how many of the units will be rented at affordable prices (80% of MMR) and if this project will impact that number. You are encouraged to draw a link with other sections of the application form such as the description

of the initiative and the environmental activities and the explanation of how the planned initiative will work towards the construction/renovation of the building.

Next steps

Please describe the deliverables and outcomes that are expected from this planning grant and how these will be used to advance your project towards construction. If the deliverables are meant to access additional funding, please indicate what funding and how. This is the perfect place to connect the objectives that will be achieved through this planning grant with the longer-term goals for your project.

Required documents

Required documents provide important information about the applicant organization and the details of the project. Items mentioned in the supporting document list **are mandatory** and applications cannot proceed in the review process without them. Further documentation may be requested or provided as needed and available.

Before submitting, please check the list of required supporting documents for your project based on the checklist below. Ensure that your documents have titles that properly reflect their nature.

The following documents are required to complete the planning grant application:

- Constatting documents or founding articles of the organization
- Relevant letter(s) from confirmed sources of funding, if available at this stage
- Resumes of key project team members (maximum five)
- Any additional documentation that will support the answers you provided in the application form
- Project workbook

Project workbook

In addition to your application in the funding portal, you will be sent a separate project workbook file to complete and upload with other required documents. The workbook provides information on the budget, timeline, sources of funding and project team. Please complete the project workbook by following the instructions available directly within it. In the budget tab, please list specific activities or deliverables that will be tackled with this planning grant. The activities in the workbook should align with the information provided in this form. When filling in the workbook, keep in mind the following questions:

- Is the budget complete and does it reflect the scope of the project?
- Does the budget represent good value based on the described deliverables? Are costs reasonably explained?
- Is there a plan to secure other funding necessary to complete the proposed deliverables, and is it realistic?

Declaration and signature

Simply type out the information of the person with signing authority from the lead applicant organization that will sign the application. Note that the person may differ from the lead applicant primary contact.

TIP: Before submitting, consider the following questions:

- Are the project purpose and deliverables appropriate and consistent with the community's affordable housing context and needs?
- Are the project deliverables likely to help achieve SAH's environmental and affordability thresholds if the initiative advances to a capital project?
- Is the proposed budget and work plan reasonable and consistent with the proposed deliverables?
- Is the project likely to set up the applicant for the next stage of project development, and possibly an application for additional funding (at GMF or elsewhere)?
- Have you answered all the questions in the application and project workbook?
- Have you uploaded all the required documents*?

*Note that all required documents must be provided for an application to be considered complete. It is only following a *complete* submission that costs incurred are considered eligible.

Project evaluation

Applications to GMF funding are evaluated by GMF staff and third-party peer reviewers. Evaluations consider application completeness as well as the review of application information assessed against a set of criteria. The evaluation process supports GMF in funding decisions. Feedback is shared with applicants throughout the review process.

For planning grants, each component of the application form and workbook will be assessed individually. The directions outlined in this guide are designed to give you the information you need to succeed in the project evaluation. Reviewers will be looking to ensure that applications consider and answer each question and element in this guide. While performing well on each element is required for a successful application, the environmental considerations question is the most important in the evaluation. Reviewers will also be looking to see how these environmental considerations are reflected in each question and consistent and coherent throughout the application.



Study Grant

What we offer Funding overview



- Grant for up to 50% of eligible costs
- Up to a maximum of \$175,000

Study grants provide the funding required to complete the assessments needed before constructing a sustainable affordable housing project. Getting this grant is not required to access SAH capital financing, but it can support you to complete all the elements needed to submit a strong application to SAH or other funding programs. This grant can be used any time pre-construction to assess implementation approaches and evaluate the environmental, economic and social impacts and outcomes of your project. Note that these outcomes should aspire to meet SAH's environmental and affordability eligibility thresholds.

This grant is flexible, to be used based on the needs of the applicant for any set of activities above \$25,000 – if your project has a budget less than \$25,000, please apply for a planning grant.

A study would typically include a combination of the following elements:

- Description of building, including address, year built (if applicable), number of units, floor area, building uses, and photographs or renderings
- Project financial analysis
- Site and/or **building condition assessment** and property (land/improvements) appraisal
- Key project risks, solutions and risk management recommendations
- Stakeholder engagement plan
- **Energy model** report or **energy audit** report, including a list and analysis of all **energy conservation measures** (ECMs)
- For projects that include **solar photovoltaics (PV)** (or other renewables), a relevant quotation/summary
- Outcomes measuring and monitoring plan

Appendix C provides detailed instructions on the elements of a study required to prepare for a strong SAH capital project application. If you intend to apply for a SAH capital project, it is strongly recommended that you share the details in this appendix with your consultant(s).

What to expect

Application process

Study grant applicants must go through a pre-application eligibility screening process, which consists of a series of simple questions to determine the eligibility of the organization and project. Once deemed eligible, you will proceed to the full application stage. If GMF has any questions at the screening stage, a representative will reach out to you to further discuss the proposal. At the full application stage, you will

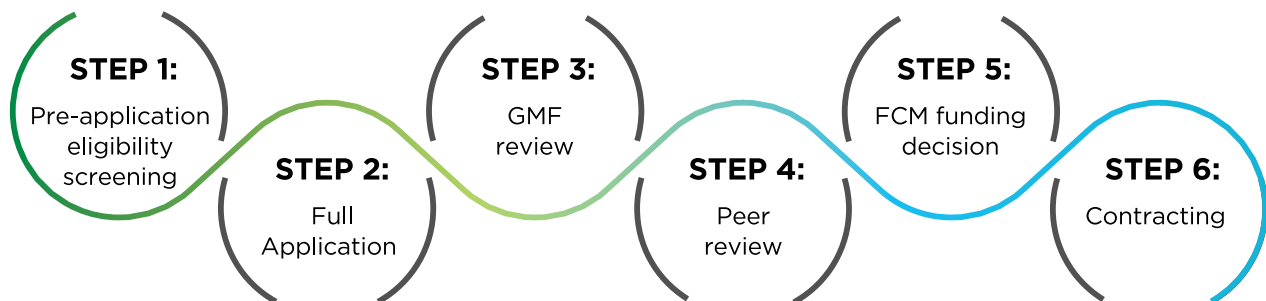
be paired with a GMF staff member that will act as your point of contact through the process and will review your file, provide feedback and may invite you to revisit steps to ensure the completeness and quality of your application.

HELPFUL RESOURCE



Check out [our factsheets](#) for a "how to" to successfully plan for retrofit or new build projects.

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- **Lead municipality** – the municipality where the initiative is taking place or that will benefit from the initiative. If your organization is *not* a municipal government, your initiative must be supported by one. You are required to provide a support letter from the municipality (as noted in required documents). The letter should simply state the municipality's support of the project. The letter must be signed by the mayor on behalf of council, or by the municipality's chief administrative officer (CAO) or city manager. The letter may also specify any way in which the municipality demonstrates that support, if applicable (e.g., in-kind, financial contribution, land donation, etc.), however not required. (Note: municipal corporations must complete this step.)

Organization information

Tell us about your organization (the housing provider lead applicant). Please include information on the following: how long you have been operating, how many units are in your portfolio, what population your organization primarily serves, and, if applicable, current operating agreement(s)/program(s) and if your organization is a member of any local, regional or provincial/territorial housing associations or networks.

Project team members

Please provide the lead contact on the project team. Non-municipal applicants should also provide your main contact at your local municipality. Note that municipal contacts may be contacted by FCM to discuss an application.

Other team members may also be added to collaborate on your application. Note that the lead contact will receive application processing updates.

Application support

GMF has partnered with the Community Housing Transformation Centre, the BC Non-Profit Housing Association, and the Co-operative Housing Federation of Canada to pilot a [Regional Energy Coach \(REC\) initiative](#). These Coaches help providers initiate and plan energy efficient retrofits and new construction. If you received support from one of these organizations in the planning of your project, please let us know.

Awareness

Tell us how you heard about GMF and SAH funding.

Project information

Tell us about your initiative, the anticipated benefits, and why this project is important to your organization or community.

The **Project title** should:

- Describe whether the project is a retrofit or new build
- Mention the name of the sector or the name of the municipality/community
- Name the specific objective of the plan

Project scope

Let us know the characteristics of the building(s) you have in mind for this project. Please specify the project address, the building type, the number of units, who will be paying for utilities and if this project has previously received a SAH planning grant funding.

Environmental benefits

Environmental sustainability is critical to the work of the Green Municipal Fund, and as such, this is a key section that receives greater weight in funding decisions.

Please describe the environmental outcomes that will be analyzed in this study grant initiative. When doing so, please specifically explain the following:

- Energy – how your study will evaluate the feasibility of your project to meet the required energy thresholds (for new builds: net-TEUI of 80 kwh/m² (120 kwh/m² in the north); or for retrofits: minimum 25% energy savings);

- **Greenhouse Gas (GHG) emissions** – how your study will evaluate the GHG impacts of the project;
- Other environmental benefits – how your study will evaluate other environmental benefits of the project (e.g. integrated climate change adaptation and resilience design, conserving water, reducing waste, improving natural assets, using sustainably sourced materials, reducing environmental nuisances such as light and noise, etc.); and,
- How these environmental outcomes will be beneficial to your project and community.

Please ensure that your application form response references and aligns with the specific activities/deliverables listed in the workbook.

Economic and social benefits

Because environmental sustainability is GMF's key objective, we are looking for economic and social benefits that specifically result from the environmental measures included in projects. Energy savings can directly result in cost savings that can improve affordability. Energy efficient new builds and retrofits can improve the health and quality of life of residents. In responding to the following questions, please keep this critical connection in mind.

Economic benefits and affordability

Please describe how the activities undertaken in this study will help you assess the potential to maintain or increase affordability in your project. Please focus specifically on how the anticipated energy savings can generate cost savings and how these savings might be applied. If possible,

describe how many of the units will be rented at affordable prices (80% of MMR) and if this project will impact that number.

Questions to consider answering in this section include:

- How will the solution(s) considered in the study generate savings for the building? Consider the return on investment of the energy conservation measures that are being analyzed.
- How will this study calculate the anticipated operating cost savings generated by this project? What will the benefit of these savings be (e.g., operational savings will be invested in future capital projects, rents will be decreased, resident utility bills will decrease, etc.)?
- How will the study analyze other economic benefits (e.g., extension of asset life, lower total cost of ownership, revenue generation, etc.)? Will this study consider how this project may impact local economic development?

Please draw links with other sections of the application form such as the description of the initiative, the environmental benefits and the workbook.

Social benefits

Please describe how your study will consider the social benefits that could result from the environmental measures being evaluated for your project. If possible, describe how these social benefits will be measured. These social benefits may include:

- Improving health of residents
- Improving resident comfort or quality of life
- Improving safety of residents
- Improving building quality
- Improving building environment (e.g., light, smell, noise, heat)
- Improving service reliability
- Improving your ability to adapt to climate change
- Creating a sense of community

Include any additional social benefits that will be considered in your study (e.g. accessibility, programming, creating jobs, etc.), if applicable. We recognize that providing affordable housing is in itself an important social benefit. For the purposes of this question, focus on benefits that go above and beyond providing shelter.

Measuring and monitoring

Keeping track of your building's performance post-construction/renovation is essential to ensure that you are getting the cost savings and other benefits that you expected. Often buildings don't perform as expected post-construction and a good monitoring system will help you quickly identify the issue. The study stage provides an opportunity to explore the best option to measure and monitor performance. For environmental outcomes, you are strongly encouraged to

consider if a **building energy monitoring system** is a fit for your project and the associated costs of that system, particularly if you intend to apply for SAH capital funding. A strong measurement and monitoring plan will also set you up to share lessons learned and better enable replication of your project.

For this question, please describe the type of measurement and monitoring plan (for environmental, economic and social benefits) you are investigating in this study. Describe how your study will consider the following questions:

- What are the benefits you will be measuring? Consider environmental (energy and GHG) performance, business case and improved level of service.
- What data will be tracked?
- How will the data be measured (direct, modelling, estimation, etc.) and captured?
- Who will look at the data and is training required?
- How will the data be used?
- How will identified performance issues be resolved?

Please identify if your study will consider the implementation of a **building energy monitoring system**.

A building energy monitoring system includes hardware and software that provides detailed information on current and past energy use of your building. This information helps to keep track of a building's energy use.

Replication

Considering replication is important to ensure that your organization or other organizations in the sector can apply similar approaches and lessons from this project to pursue and improve future projects. A study is replicable when it considers:

- Models/best practices that have demonstrated proven results are applied to project design (i.e. building elements used by the housing sector (e.g. heat pumps, solar PV, etc.) or the application of specific certifications or standards (e.g. Passive House));
- Solution(s) that address common problems or key challenges in the affordable housing sector;
- Clear market drivers for the adoption of solution (e.g., cost savings over status quo, financial returns, regulation requirements and incentives); or
- The use of commonly understood metrics and measures to show performance.

Describe how the results of your study will enable replication for other projects within your portfolio or studies done by other housing providers. Give specific examples of mechanisms you will consider to encourage adoption and replication such as, but not limited to:

- Application of study results within your portfolio;
- Sharing of study results, for example through a case study, toolkit, infographic, webinar, participation in a community of practice, etc.;
- Partnership with one or more other organizations with mandates for replicating solutions (e.g. association, university, NGO, etc.);
- Partnership with other housing providers, or expressed interest from other housing providers, indicating a desire to replicate the solution if it is successful.

Capacity building and stakeholder engagement

Capacity building

Please describe how this study will be shared and used to increase knowledge across your organization, with residents, and the affordable housing sector. Primarily focus your response on capacity related to the environmental measures considered in your study. Some considerations could include:

- What knowledge gap will this study address in your own organization (either with staff or with residents)?
- What knowledge gap will this project address in the wider housing provider community? How will this knowledge be shared?
- Will you engage residents to build their capacity and understanding of how their actions can contribute to improving environmental outcomes as a part of this project?
- Do you plan on creating educational activities or materials to continue sharing knowledge and lessons learned?
- Will you use local resources (e.g., trades, contractors, consultants, etc.) to build knowledge and skills for energy-related projects within your own community?

Stakeholder engagement

Please identify all relevant stakeholders that you plan to engage in the study planning and execution or will benefit from its outcomes and how. Some stakeholders may include: neighbours, neighbourhood/community associations, agencies/service providers, citizen groups, council/municipal staff. Please specifically outline any plans for engagement of people with lived experience. If this project is a retrofit, describe engagement with residents and, if applicable, how your organization will address resident displacement. It may also be helpful to consider plans to address potential opposition to the project from local residents (i.e., **NIMBYism**).

For all engagement, describe the level, type of interactions and input you will seek from stakeholders.

Innovation

This section asks an applicant to describe the innovative aspects explored in your study. GMF recognizes that innovation is a *relative* measure and can mean different things to different people and organizations. What is innovative for a small housing provider may not be so for a large one. When answering this question, consider how the innovative solutions analyzed in your study relate to the specific context of your organization/community.

Innovative aspects of the project

Describe the innovative solution(s) analyzed in this study. In answering this question, give particular consideration to how each energy measure being explored in your study is considered better than business as usual practice in the affordable housing sector, your community, and/or your organization.

A study is considered to be exploring innovative solutions when it considers at least one of the following:

- Development and/or application of new or emerging knowledge, policy, practice or advanced technology in the affordable housing sector,
- A new and/or emerging application of an existing technology or practice in the affordable housing sector, or
- The adoption of an existing knowledge, practice or technology new to a community or provider to suit the circumstances of that particular community or provider.

Uncertainties around innovation (audacity)

Implementing new and innovative solutions can create risks that, if unaddressed, could lead to uncertainties in the outcomes of a project. The study stage presents an opportunity to identify and plan how to mitigate those risks.

When answering this question, take into consideration the challenges your organization may face specifically in implementing the new and innovative solution(s) (e.g. lack of experience or expertise, system failures, increased costs that could impact affordability, etc.). For each risk, describe how the study is considering the potential impact(s) and preparing you to tackle these challenges in the construction phase.

Executive summary

Now that you have gone through the whole form, this is your chance to summarize your study project in a couple of paragraphs. In completing this section, consider the following:

- Highlight the main activities and the benefits that will be analyzed in the completion of the study? In particular, what are the energy and GHG savings you will be aiming for.
- Why is this project important for your community and what problem(s) are you trying to solve?
- How will this study move your initiative forward towards construction? What are your next steps upon completion of the study (e.g. applying for capital financing)?

Please provide any other information that you feel is relevant in helping GMF to understand your project and intended outcomes.

Required documents

Required documents provide important information about the applicant organization and the details of the project. Items mentioned in the supporting document list **are mandatory** and applications cannot proceed in the review process without them. Further documentation may be requested or provided as needed and available.

Before submitting, please check the list of required supporting documents for your project based on the checklist below. Ensure that your documents have titles that properly reflect their nature.

Ownership documents⁸	<p>Constituting documents (i.e. founding articles) of Lead Applicant/Borrower</p> <p>Ownership/partnership documents and organizational chart outlining the names of all related shareholders, subsidiaries, key responsibilities and entity's corporate/reporting structures</p>
Approvals	Letter of support from municipality (City Manager/CAO or mayor – for non-profits and municipal corporations only)
Financials	Proof of all confirmed sources of funding
Project team	Resumes of five (maximum) main project leads
Project workbook	Completed project workbook template from FCM

TIP: When possible, reference specific pages in supporting documentation in your application. This will help ensure staff and peer reviewers are best positioned to evaluate your application.

Project workbook

In addition to your application in the funding portal, you will be sent a separate project workbook file to complete and upload with other required documents. Please complete the project workbook by following the detailed instructions available directly within it and if you have any trouble, please reach out to GMF staff for assistance.

Project management is an essential component in GMF's evaluation of any funding proposal. We will be looking for a budget and workplan that are aligned with your application form and project objectives. The workbook contains the following:

- Project budget and plan – asks for your project budget, timeline and deliverables and sources of funding for your study. When completing these sections, ensure that the budget and deliverables reflect the activities that the study will undertake.
- Project team – asks for up to five key team members, including role, qualifications and experience.
- Project risks – asks for the most significant risks to completing the study and how these risks will be mitigated. If your project is a retrofit with residents in the building, you are encouraged to note the steps you are undertaking in the study stage to plan for disruption or displacement/relocation.

⁸ FCM may request additional information to verify the legal status of the Lead Applicant/Borrower.

Declaration and signature

Simply type out the information of the person with signing authority from the lead applicant organization that will sign the application. Note that the person may differ from the lead applicant primary contact.

TIP: Before submitting, consider the following questions:

- Are the study purpose and deliverables appropriate and consistent with the community's affordable housing context and needs?
- Are the study deliverables likely to help achieve SAH's environmental and affordability thresholds if my initiative advances to a capital project?
- Is the proposed budget and work plan reasonable and consistent with the proposed deliverables?
- Is the project likely to set up your organization for the next stage of project development, and possibly an application for additional funding (at GMF or elsewhere)?
- Have you answered all the questions in the application and project workbook?
- Have you uploaded all the required documents*?

*Note that all required documents must be provided for an application to be considered complete. It is only following a *complete* submission that costs incurred are considered eligible.

Project evaluation

Applications to GMF funding are evaluated by GMF staff and third-party peer reviewers. Evaluations consider application completeness as well as the review of application information assessed against a set of criteria. The evaluation process supports GMF in funding decisions. Feedback is shared with applicants throughout the review process.

The directions outlined in this guide are designed to give you the information you need to succeed in the project evaluation. Reviewers will be looking to ensure that applications consider and answer each question and element in this guide. While performing well on each element is required for a successful application, the environmental considerations question is the most important in the evaluation. Reviewers will also be looking to see how these environmental considerations are reflected in each question and consistent and coherent throughout the application.

GMF will evaluate projects submitted for funding consideration using the following three criteria:

- **Impact:** The study is identifying and evaluating the potential: measurable environmental benefits, including energy savings and **GHG emissions** reductions, as well as other improvements or sustainable practices; affordability impacts for providers or residents; and, social benefits (e.g. improved health, quality of life or community economic development). This considers project and applicant specific context (e.g. size of provider, region, etc.).

- **Implementation:** The study project is designed holistically with a strong project management approach that includes planning, risk management, stakeholder engagement and appropriate resourcing.
- **Transformative potential:** The study exemplifies transformative potential through the evaluation of new solutions and consideration of methods to encourage replication and build capacity.

GMF recognizes the importance of confidence in environmental performance results and the potential impact on operating costs, and as a result, encourages the evaluation of proven solutions and consideration of risk in study completion.

The three key criteria described above are further broken down in Table 3.

Table 3: Evaluation criteria for SAH applications

Impact	Implementation	Transformative potential
<ul style="list-style-type: none"> • Environmental benefits • Economic benefits and affordability • Social benefits • Relative impact (considers provider size and context) 	<ul style="list-style-type: none"> • Stakeholder engagement • Team and partners • Workplan and budget • Risk management • Measurement and monitoring 	<ul style="list-style-type: none"> • Innovation and audacity • Capacity building • Replication





Pilots

What we offer Funding overview



- Grant for up to 80% of eligible costs
- Up to a maximum of \$500,000

Pilot grants provide funding to test innovative and ambitious technical, process or business model solutions to improve environmental outcomes. Pilots provide the opportunity to influence future projects for an organization or for the affordable housing sector by sharing lessons learned and knowledge. Pilot projects may test solutions through a small-scale version of a capital project, or a full-scale, replicable application of a new approach. Pilots can include solutions implemented in other areas with positive results that have yet to be tested in your community.

Pilot projects are expected to exceed SAH's energy thresholds, and achieve significant GHG emissions reductions (e.g. net zero carbon). Applicants should demonstrate why the

solution(s) need to be tested prior to full-scale implementation and how the lessons learned from the pilot will be applied to future projects (either within the organization or sector) following completion.

What to expect Application process

Pilot grant applicants must go through an initial proposal process, which consists of the submission of a simplified application package used to determine eligibility and suitability of your project. Once deemed eligible and suitable, you will proceed to the full application stage. If GMF has any questions at the initial proposal stage, a representative will reach out to you to further discuss the proposal. At the full application stage, you will be paired with a GMF staff member that will act as your point of contact through the process and will review your file, provide feedback and may invite you to revisit steps to ensure the completeness and quality of your application.

This section below provides an overview of the application and review process.



STEP 1: Pre-application submission

Applicants fill out a simple pre-application form. This is a higher-level summary of the project for GMF review. Applicants must also provide a few key documents related to the environmental outcomes of their project.

STEP 2: Pre-application review

GMF staff review pre-applications to determine applicant and project eligibility and suitability of the project as a pilot before inviting the applicant to complete the full application.

STEP 3: Full application submission

If eligible and suitable, the applicant is asked to complete a full application form, workbook and submission of additional required documents. GMF staff are available to assist applicants with any questions they have in filling out the full application form and workbook as well as questions regarding the supporting documents. When ready, applicants are asked to verify that all documentation is complete before submitting to GMF.

STEP 4: GMF application review

GMF staff reviews the proposal for accuracy and completeness, working with applicants to resolve any remaining questions. Applications cannot proceed to peer review without all required documents.

STEP 5: Peer review

An external expert peer review panel provides analysis of the project proposal. Feedback from the peer review panel is shared with the applicant. Peer review evaluation is coupled with internal analysis to provide a funding recommendation.

STEP 6: FCM funding decision

Funding decisions for pilots are made by GMF Council and FCM's Board of Directors.

STEP 7: Contracting

Following a successful application process, GMF staff work with clients to successfully complete a contract with funding and disbursement terms and reporting requirements.

Navigate the FCM funding portal

All applicants requesting funding must complete their pre- and full application forms through [FCM's funding portal](#). To access the funding portal, you must register with FCM to create your client profile:

- From the funding portal home page, click Register Now.
- Fill in all the fields and click Submit. This will send a service request to FCM.
- Check your email. You will receive a message with a PIN and instructions for accessing the funding portal and choosing your password.

Once you have access to the funding portal and your client profile:

- Select My Applications from the menu on the left.
- Click the folder icon for the desired program name (FCM Green Municipal Fund – Sustainable Affordable Housing).
- Select New Submission. Click Next to select the project type you are applying to and complete the pre-application questions. Note that the pre-application contains questions that will be carried over to the full application and your responses will remain available. The questions contained in both the pre-application and full application are indicated with the following icon (📄).
- When your pre-application has been reviewed for eligibility and suitability, you will be informed that the full application is available through FCM's funding portal, ready for you to complete and submit.

How to apply

Application instructions

Follow the directions below as you complete your SAH funding application. This guide includes all the information you will need to complete the full application for a pilot. Your complete application will include:

- the pre-application submission
- the online application form
- a project workbook
- all required supporting documents

TIP: Remember that you can save your progress at any time at the bottom of the page and return to the form later to revise or complete it.

Applicant information (📄)

Tell us who you are, where you are from, and a bit about your organization.

Participating organization

Please provide the name and role of each participating organization:

- **Lead applicant** – the organization that signs the contract with FCM, oversees the initiatives (even if it has a third party complete the work), incurs the costs of the initiative, and submits the required reporting to FCM. Please provide the contact information for the individual authorized to act on behalf of the lead applicant. Consultants may submit an application on behalf of a lead applicant, however, the lead applicant organization will necessarily be engaged during the process.

- **Lead municipality** – the municipality where the initiative is taking place or that will benefit from the initiative. If your organization is not a municipal government, your initiative must be supported by one. You are required to provide a support letter from the municipality (as noted in required documents). The letter should simply state the municipality's support of the project. The letter must be signed by the mayor on behalf of council, or by the municipality's chief administrative officer (CAO) or city manager. The letter may also specify any way in which the municipality demonstrates that support, if applicable (e.g., in-kind, financial contribution, land donation, etc.), however not required. (Note: municipal corporations must complete this step.)

Organization information

Tell us about your organization (the housing provider lead applicant). Please include information on the following: how long you have been operating, how many units are in your portfolio, what population your organization primarily serves, and, if applicable, current operating agreement(s)/program(s) and if your organization is a member of any local, regional or provincial/territorial housing associations or networks.

Project team members

Please provide the lead contact on the project team. Non-municipal applicants should also provide your main contact at your local municipality. Note that municipal contacts may be contacted by FCM to discuss an application.

Other team members may also be added to collaborate on your application. Note that the lead contact will receive application processing updates.

Application support

GMF has partnered with the Community Housing Transformation Centre, the BC Non-Profit Housing Association, and the Co-operative Housing Federation of Canada to pilot a Regional Energy Coach (REC) initiative. These Coaches help providers initiate and plan energy efficient retrofits and new construction. If you received support from one of these organizations in the planning of your project, please let us know.

Awareness

Tell us how you heard about GMF and SAH funding.

Project information

Tell us about your initiative, the anticipated benefits, and why this project is important to your organization or community.

The **Project title** should:

- Describe whether the project is a retrofit or new build
- Mention the name of the sector or the name of the municipality/community
- Name the specific objective of the plan

Project scope

Let us know the characteristics of the building(s) you have in mind for this project. Please specify the project address, the building type, the number of units, who will be paying for utilities and if this project has previously received a SAH planning or study grant funding.

Environmental benefits

Environmental sustainability is critical to the work of the Green Municipal Fund, and as such, this is a key section that receives greater weight in funding decisions. Pilot projects are expected to be particularly ambitious in their energy and GHG emission reduction outcomes. Projects will be assessed based on both overall impact, as well as likelihood of achieving the anticipated benefits.

Please describe the environmental measures this pilot will implement and their expected outcomes. When doing so, please specifically explain the following:

- Energy – how your pilot will exceed the required energy thresholds (for new builds: net-TEUI of 80 kwh/m² (120 80 kwh/m² in the north); or for retrofits: minimum 25% energy savings)? Which **energy conservation measures** (ECMs) from your **energy model** will be implemented?
- **Greenhouse Gas (GHG) emissions** – what GHG conservation measures will be implemented and what GHG savings will this achieve (e.g. net zero carbon)?
- Other environmental benefits – what other environmental benefits will be implemented (e.g. integrated climate change adaptation and resilience design, conserving water, reducing waste, improving natural assets, using sustainably sourced materials, reducing environmental nuisances such as light and noise, etc.)? Are these additional environmental benefits quantifiable? If so, please provide estimates (e.g., a smart grid project that allows more renewable generation projects to be integrated on to the grid).
- How will these environmental outcomes be beneficial to your project and community?

Please ensure that your application form response references and aligns with the specific activities/deliverables listed in the workbook and in your **energy audit or model** and other supporting documents. Also ensure that the expected environmental outcomes can be compared to a baseline or assessment of the current state. For recommendations and requirements of additional documentation on environmental modelling, see **Appendix C**.

Economic and social benefits

Because environmental sustainability is GMF's key objective, we are looking for economic and social benefits that specifically result from the environmental measures included in projects. Energy savings can directly result in cost savings that can improve affordability. Energy efficient new builds and retrofits can improve the health and quality of life of residents. In responding to the following questions, please keep this critical connection in mind.

Economic benefits and affordability

Please describe how the measures implemented in your pilot will support maintaining or increasing affordability in your building. Please focus specifically on how the anticipated energy savings can generate cost savings and how these savings will be applied. Describe how many of the units will be rented at affordable prices (80% of MMR) and if this pilot will impact that number. Questions to consider answering in this section include:

- How will the solution(s) implemented in the pilot generate savings for the building? Consider the return on investment of the energy conservation measures that are being implemented.
- What are the anticipated operating cost savings generated by this project? What will the benefit of these savings be (e.g., operational savings will be invested in future capital projects, rents will be decreased, resident utility bills will decrease, etc.)?
- What are the other economic benefits of this pilot (e.g., extension of asset life, lower total cost of ownership, revenue generation, etc.)? Will your project impact local economic development and, if so, how?

Please draw links with other sections of the application form such as the description of the initiative, the environmental benefits and the workbook.

Social benefits

Please describe the social benefits that will result from the environmental measures being implemented in your pilot. Where possible, describe how these social benefits will be quantified and measured. These social benefits may include:

- Improving health of residents
- Improving resident comfort or quality of life
- Improving safety of residents
- Improving building quality
- Improving building environment (e.g., light, smell, noise, heat)
- Improving service reliability
- Improving your ability to adapt to climate change
- Creating a sense of community

Include any additional social benefits that will result from your pilot (e.g. accessibility, programming, creating jobs, etc.), if applicable. We recognize that providing affordable housing is in itself an important social benefit. For the purposes of this question, focus on benefits that go above and beyond providing shelter.

Measuring and monitoring

Keeping track of your building's performance post-construction/renovation is essential to ensure that you are getting the cost savings and other benefits that you expected. Often buildings don't perform as expected post-construction and a good monitoring system will help you quickly identify the issue.

For pilots, strong measuring and monitoring systems are particularly important to assess the outcomes of the solution(s) you are testing to determine how best to replicate or scale. For environmental outcomes, you are strongly encouraged to consider if a **building energy monitoring system** is a fit for your project, the

implementation of which can be funded by your pilot grant. You may also consider exploring more interactive and innovative ways to measure and monitor outcomes (e.g. dashboard accessible to residents, separate monitoring of specific systems).

For this question, please describe the type of measurement and monitoring plan (for environmental, economic and social benefits) you are implementing in your pilot. Describe the following aspects of your pilot:

- What are the benefits you will be measuring? Consider environmental (energy and GHG) performance, business case and improved level of service.
- What data will be tracked?
- How will the data be measured (direct, modelling, estimation, etc.) and captured?
- What assumptions, if any, will be applied?
- Who will look at the data and is training required?
- How will the data be used?
- How will identified performance issues be resolved?
- What data will be aggregated to be shared and applied to other projects?

Please identify if your pilot includes the implementation of a **building energy monitoring system**.

A building energy monitoring system includes hardware and software that provides detailed information on current and past energy use of your building. This information helps to keep track of a building's energy use.

TIP: Commissioning and retro-commissioning of implemented systems is considered a best practice and can help ensure performance and associated benefits (both environmental and cost savings) are as expected. The cost of commissioning and retro-commissioning is considered eligible for GMF funding and can be included in your project budget.

HELPFUL RESOURCE



FCM has partnered with the Saskatchewan Environmental Society and the Community Housing Transformation Centre to offer a free, self-paced **Building Operators Training (BOT) program** for the affordable housing sector across Canada. This self-paced BOT course will demonstrate the basics of energy efficiency, new technologies, and facility retrofits that will save energy and money.

Replication

The potential for replication is a critical element of a pilot project. Pilots should be testing solution(s) to ensure that when they are applied to a broader building or portfolio or sector, there is more confidence in the outcomes. A project is considered replicable when it demonstrates the following:

- Models/best practices that have demonstrated proven results are applied to project design (i.e. building elements used by the housing sector (e.g. heat pumps, solar PV, etc.) or the application of specific certifications or standards (e.g. Passive House));
- Solution(s) that address common problems or key challenges in the affordable housing sector;

- Clear market drivers for the adoption of solution (e.g., cost savings over status quo, financial returns, regulation requirements and incentives); or
- The use of commonly understood metrics and measures to show performance.

Describe what elements of your pilot are being tested with the potential for replication, either within your portfolio or for projects by other housing providers. Describe how you will document and share the data, lessons and results of your pilot, including with GMF. Give specific examples of mechanisms you will consider to encourage adoption and replication such as, but not limited to:

- Application of pilot lessons to future projects for your organization;
- Sharing of pilot results, for example through a case study, toolkit, infographic, webinar, participation in a community of practice, etc.;
- Partnership with one or more other organizations with mandates for replicating solutions (e.g. association, university, NGO, etc.); or
- Partnership with other housing providers, or expressed interest from other housing providers, indicating a desire to replicate the solution if it is successful.

Capacity building and stakeholder engagement

Capacity building

Please describe how the results of this pilot will be shared and used to increase knowledge across your organization, with residents, and the affordable housing sector. Primarily focus your response on capacity related to the environmental measures undertaken in your pilot. Some considerations could include:

- What knowledge gap will this pilot address in your own organization (either with staff or with residents)?

- What knowledge gap will this project address in the wider housing provider community? How will this knowledge be shared?
- Will you engage residents to build their capacity and understanding of how their actions can contribute to improving environmental outcomes as a part of this project?
- What educational activities or materials do you plan on creating to continue sharing knowledge and lessons learned? How will these be shared with GMF?
- Will you use local resources (e.g., trades, contractors, consultants, etc.) to build knowledge and skills for energy-related projects within your own community?

Stakeholder engagement

Please identify all relevant stakeholders that you plan to engage in the design and construction of your pilot project. For this section, please consider how engagement on the pilot will impact the potential for the replication of the project in the future. Some stakeholders may include: neighbours, neighbourhood/community associations, agencies/service providers, citizen groups, council/municipal staff.

Please specifically outline any plans for engagement of people with lived experience. If this project is a retrofit, describe engagement with residents and, if applicable, how your organization will address resident displacement. It may also be helpful to consider plans to address potential opposition to the project from local residents (i.e., **NIMBYism**).

For all engagement, describe the level, type of interactions and input you will seek from stakeholders.

Innovation

This section asks an applicant to describe the innovative aspects tested in your pilot. SAH pilots are expected to test innovative and ambitious solutions to improve environmental outcomes through technical, process-based or business model innovations. GMF recognizes that innovation is a *relative* measure and can mean different things to different people and organizations. What is innovative for a small housing provider may not be so for a large one. When answering this question, consider how the innovative solutions being tested in your pilot relate to the specific context of your organization/community.

Innovative aspects of the project

Describe the innovative solution(s) implemented in this pilot. In answering this question, give particular consideration to how each environmental outcome being tested in your pilot is considered ambitious in the affordable housing sector, your community, and/or your organization. Also describe other innovative economic and social outcomes being tested in your pilot. Where possible, describe and quantify how it is better than the baseline or current practice/state.

A pilot is considered to be implementing innovative solutions when it considers at least one of the following:

- Development and/or application of new knowledge, policy, practice or advanced technology,
- A new and/or emerging application of an existing technology or practice, or
- The adoption of a knowledge or practice new to a community or provider to suit the circumstances of that particular community or provider, or the adoption of advanced technology.

Uncertainties around innovation (audacity)

Implementing new and innovative solutions can create risks that, if unaddressed, could lead to uncertainties in the outcomes of a project. The pilot stage presents an opportunity to test and plan how to mitigate those risks. When answering this question, take into consideration the challenges your organization may face specifically in implementing the new and innovative solution(s) (e.g. lack of experience or expertise, system failures, increased costs that could impact affordability, etc.). For each risk, describe how the pilot is considering and mitigating the potential impact(s) and preparing you or the sector to tackle these challenges when the innovative solution is implemented in the future.

Executive summary

Now that you have gone through the whole form, this is your chance to summarize your pilot project in a couple of paragraphs. In completing this section, consider the following:

- Why are you applying for a pilot grant rather than capital project financing? What innovative solutions are you testing that make this a pilot?
- What are the benefits that are expected as a result of this pilot? In particular, what are the energy and GHG savings you will be aiming for and why are they ambitious.




- Why is this project important for your community and what problem(s) are you trying to solve?
- How are you setting up this project for success (e.g. project team, project management, risk mitigation plan, etc.)?

Please provide any other information that you feel is relevant in helping GMF to understand your project and intended outcomes.

Required documents

Required documents provide important information about the applicant organization and the details of the project. Items mentioned in the supporting document list **are mandatory** and applications cannot proceed in the review process without them. Further documentation may be requested or provided as needed and available. Documents indicated with a document icon (📄) are required at the pre-application stage.

Before submitting, please check the list of required supporting documents for your project based on the checklist below. Ensure that your documents have titles that properly reflect their nature.

Ownership documents⁹	<ul style="list-style-type: none"> • Constatting documents (i.e. founding articles) of Lead Applicant/Borrower • Ownership/partnership documents and organizational chart outlining the names of all related shareholders, subsidiaries, key responsibilities and entity's corporate/ reporting structures
Approvals	<ul style="list-style-type: none"> • Letter of support from municipality (City Manager/CAO or mayor – for non-profits and municipal corporations only)
Environmental outcomes	<p>RETROFIT:</p> <ul style="list-style-type: none"> • ASHRAE Level 2 or similar energy audit that supports a 25% minimum energy reduction in the building's energy use, including cost of each energy conservation measure (ECM)* • If the project includes renewable energy production, a solar PV (or other renewable energy) quotation from a qualified contractor  <p>NEW BUILD:</p> <ul style="list-style-type: none"> • Energy model that supports net Total Energy Use Intensity (net-TEUI¹⁰) of equal to or less than 80kWh/m² (120kWh/m² for northern communities¹¹)  • If the project includes renewable energy production, a solar PV (or other renewable energy) quotation from a qualified contractor  • Preliminary architectural drawings and mechanical specifications outlining the total modeled floor area (which should include both residential and non- residential areas), number of units, floor layouts, building envelope properties, HVAC equipment efficiencies, etc.  <p><i>Please refer to Appendix C for a detailed description of recommended contents of energy audit or model documentation</i></p>

⁹ FCM may request additional information to verify the legal status of the Lead Applicant/Borrower.

¹⁰ Net TEUI refers to the total annual energy demand from all sources for all energy uses (including electricity and fuel used interior and exterior to the building), minus projected annual on-site renewable energy production, divided by the interior area of the building.

¹¹ The North is defined as the three territories and the northern extent of seven provinces. This includes portions of the following provinces defined by [Statistics Canada codes](#): Newfoundland and Labrador (10), Québec (24), Ontario (35), Manitoba (46), Saskatchewan (47), Alberta (48) and British Columbia (59). This definition aligns with National Housing Strategy definition.

Financials	<ul style="list-style-type: none"> • Proof of all confirmed sources of capital funding (financing, grants, in-kind, forgivable loans, waiver of development charges & fees (as applicable))
Project team	<ul style="list-style-type: none"> • Resumes of five (maximum) main project leads
Risk management	<ul style="list-style-type: none"> • A project risk registry or risk mitigation document
Project workbook	<ul style="list-style-type: none"> • Completed project workbook template from FCM

TIP: If possible, add to each document's title the application section (e.g., environmental benefits, etc.) that the document supports and reference specific pages in supporting documentation in your application. This will help ensure staff and peer reviewers are best positioned to evaluate your application.

Project workbook

In addition to your application in the funding portal, you will be sent a separate project workbook file to complete and upload with other required documents. Please complete the project workbook by following the detailed instructions available directly within it and if you have any trouble, please reach out to GMF staff for assistance.

Project management is an essential component in GMF's evaluation of any funding proposal. We will be looking for a budget and workplan that are aligned with your application form and project objectives. The workbook contains the following:

- Project budget and plan – asks for your project budget, timeline and deliverables and sources of funding for your pilot. When completing these sections, ensure that the budget and deliverables reflect the project activities.
- Project team – asks for up to five key team members, including role, qualifications and experience.
- Project risks – asks for the most significant risks to implementing your pilot and how these risks will be mitigated. If your project is a retrofit with residents in the building, you are encouraged to note the steps you are undertaking to address disruption or displacement/relocation.

Declaration and signature

Simply type out the information of the person with signing authority from the lead applicant organization that will sign the application. Note that the person may differ from the lead applicant primary contact.

TIP: Before submitting, consider the following questions:

- Are the pilot's purpose and deliverables appropriate and consistent with your community's affordable housing context and needs?
- How is the pilot project testing innovative and ambitious solutions? How will lessons learned be replicated?
- Have you answered all the questions in the application and project workbook?
- Have you uploaded all the required documents*?

*Note that all required documents must be provided for an application to be considered complete. It is only following a *complete* submission that costs incurred are considered eligible.

Project evaluation

Applications to GMF funding are evaluated by GMF staff and third-party peer reviewers. Evaluations consider application completeness as well as the review of application information assessed against a set of criteria. The evaluation process supports GMF in funding decisions. Feedback is shared with applicants throughout the review process.

The directions outlined in this guide are designed to give you the information you need to succeed in the project evaluation. Reviewers will be looking to ensure that applications consider and answer each question and element in this guide. While performing well on each element is required for a successful application, the environmental considerations question is the most important in the evaluation. Reviewers will also be looking to see how these environmental considerations are reflected in each question and consistent and coherent throughout the application.

GMF will evaluate projects submitted for funding consideration using the following three criteria:

- **Impact:** The project has the potential to: generate significant environmental benefits, including energy savings and **GHG emissions** reductions, as well as other improvements or sustainable practices; positively impact affordability for providers or residents; and, result in social benefits (e.g. improved health, quality of life or community economic development). This considers project and applicant specific context (e.g. size of provider, region, etc.).
- **Implementation:** The project is designed holistically with a strong project management approach that includes planning, risk management, stakeholder engagement and appropriate resourcing.
- **Transformative potential:** The project exemplifies transformative potential through the implementation of new and ambitious solutions and demonstrates a high likelihood of replication. GMF recognizes the importance of confidence in environmental performance results and the potential impact on operating costs, and as a result, encourages consideration of risk and knowledge sharing.

The three key criteria described above are further broken down in Table 4.

Table 4: Evaluation criteria for SAH applications

Impact	Implementation	Transformative potential
<ul style="list-style-type: none">• Environmental benefits• Economic benefits and affordability• Social benefits• Relative impact (considers provider size and context)	<ul style="list-style-type: none">• Stakeholder engagement• Team and partners• Workplan and budget• Risk management• Measurement and monitoring	<ul style="list-style-type: none">• Innovation and audacity• Capacity building• Replication





Capital Projects

Retrofits and New Builds

SAH's capital funding offer supports the retrofitting of existing buildings to high energy efficiency standards and the construction of new, net zero energy ready buildings. Depending on your project type, the support from SAH differs, as outlined below.

Note that in the case of a building that is being converted to affordable housing from a different usage, this would typically be a new build project (e.g. conversion of a commercial office building to a residential housing building). In the case of similar uses (e.g. residential but not affordable housing or hotel), if alterations affect more than 50% of the floor plan, these would also be a new build project. If the changes affect less than 50% of the floor area, the project would be a retrofit.

What we offer – Retrofits

Funding overview

- Financing, including grant and loan, for up to 80% of eligible costs
- Up to a maximum combined financing of \$10 million
- Grants are available for 25%-50% of total financing – grant and loan proportions are based on anticipated energy performance



Retrofit capital project financing provides funding to improve an existing building's energy performance and reduce GHG emissions. This can be achieved by installing or updating building systems, features, and infrastructure to improve performance. SAH retrofit financing also supports general maintenance, repairs and other capital upgrades to improve your building.

A retrofit project must achieve a minimum 25% reduction in energy consumption compared to the current performance baseline to be eligible for funding. The percentage of GMF's contribution awarded as a grant is equal to the anticipated percentage of energy savings (between 25% and 50%), as demonstrated in the feasibility study and energy model.

For example, a project that aims to reduce energy use by 35% will receive 35% of its GMF financing as a grant. The maximum, 50%, grant will be awarded to projects that reduce energy

consumption by 50% or more. For retrofit projects with multiple buildings, each building must meet the minimum energy reduction of 25%.

Northern applicants qualify for an additional 10% grant to alleviate some of the additional challenges of building affordable housing in the north (e.g. a northern project that aims to reduce energy use by 35% will receive 45% of its GMF financing as a grant). The maximum grant for northern applicants is 60% if the project reduces energy consumption by 50% or more.

Projected energy reductions are subject to GMF analysis and approval and all projections must be conservative. Energy modelling and feasibility studies are expected to be completed with the information required for this analysis – please refer to [Appendix C](#) for these requirements. It is also possible that GMF staff may request a discussion or additional information from the specialist that completed this work. As a result of GMF's analysis, grant amounts may not always reflect the energy savings presented in the initial energy model, however FCM staff will work with the applicant to ensure transparency in this process.

Retrofit funding breakdown example

General

ABC Housing Retrofit Project has a total cost of \$5,000,000. The project incurred \$200,000 in expenses before applying to SAH, so their project has \$4,800,000 in eligible costs. SAH retrofit financing can cover up to 80% of eligible costs, so ABC Housing submits an application for \$3,840,000 in SAH grant and loan funding. Their anticipated energy performance for the retrofit is a 45% energy reduction in energy use. Their 45% energy reduction calculation makes ABC Housing eligible for a grant of \$1,728,000 (which is 45% of their SAH funding request). The remainder of the funding request costs are covered with a \$2,112,000 loan.

Total project costs

\$ 5,000,000

Total eligible costs

\$ 4,800,000

Anticipated energy performance

45% energy reduction = grant for 45% of eligible costs

**Total SAH funding request
(80% of eligible costs)**

\$ 3,840,000

SAH grant (45% of funding request)

\$ 1,728,000

**SAH loan (deduct the grant
from the total funding request)**

\$ 2,112,000

Northern applicant

If ABC Housing were located in the north, the scenario above would be the same *except* with a 45% reduction in energy use, the project would be eligible for a grant for 55% of the SAH funding request. Northern applicants are eligible for an additional 10% grant.

Total project costs

\$ 5,000,000

Total eligible costs

\$ 4,800,000

Anticipated energy performance

45% energy reduction = grant for 55% of eligible costs (45% for energy reduction + 10% for northern applicant)

**Total SAH funding request
(80% of eligible costs)**

\$ 3,840,000

SAH grant (55% of funding request)

\$ 2,112,000

**SAH loan (deduct the grant
from the total funding request)**

\$ 1,728,000

What we offer – New builds

Funding overview



- Financing, including grant and loan, for up to 20% of eligible costs
- Up to a maximum combined financing of \$10 million
- 50% grant and 50% loan

New build capital project financing provides funding to build new affordable housing units to a higher environmental standard than building to code. The grant portion of the financing covers up to 10% of eligible project costs (up to \$5M). This amount of grant funding will generally cover any additional costs of building a **NZER** project, but you will not need to separate these specific expenses. The additional financing of up to 10% of eligible project costs (up to \$5M) is provided as a loan. The loan and grant must be taken together and eligible costs can be energy and non-energy related.

A new build project must be designed to achieve net-zero-ready building energy performance or a net **total energy use intensity**

(net-TEUI) of 80 kWh/m² or less. This target may include any positive impact of renewable energy generation on the energy use intensity. A project working towards NZER/NZE can reach this target through a range of methods and building performance standards. These include, but are not limited to **Passive House®**, or **Canada Green Building Council's Zero Carbon Building**. GMF does not require or recommend certification through any of these programs.

Northern applicants qualify for an additional 10% grant to alleviate some of the additional challenges of building affordable housing in the north. In addition, to account for the colder climate zone, northern applicants are required to achieve a net total energy use intensity (net-TEUI) of 120 kWh/m² or less to be eligible for this funding.

Projected energy reductions are subject to GMF analysis and approval and all projections must be conservative. Energy modelling and feasibility studies are expected to be completed with the information required for this analysis – please refer to **Appendix C** for these requirements. It is also possible that GMF staff may request a discussion or additional information from the specialist that completed this work.

New build funding breakdown example

General

ABC Housing New Build Project has a total cost of \$20,000,000. The cost of the land was \$2,000,000, so their project has \$18,000,000 in eligible costs. To cover the additional costs of building to NZER, SAH new build financing can cover up to 20% of eligible costs, so ABC Housing submits an application for \$3,600,000 in SAH grant and loan funding. With an anticipated **net-TEUI** of 73 kWh/m², the project is eligible for funding. Since ABC Housing's project meets the energy threshold, they are eligible for a grant of \$1,800,000, which is 50% of their SAH funding request. The remainder of the funding request costs are covered with a \$1,800,000 loan.

Total project costs
\$ 20,000,000
Total eligible costs
\$ 18,000,000
Anticipated energy performance
Net-TEUI = 73 kWh/m ²
Total SAH funding request (20% of eligible costs)
\$ 3,600,000
SAH grant (50% of funding request)
\$ 1,800,000
SAH loan (50% of funding request)
\$ 1,800,000

Northern applicant

If ABC Housing were located in the north, the scenario above would be the same *except* the project would be eligible for a grant for 60% of their funding request. Northern applicants are eligible for an additional 10% grant.

Total project costs
\$ 20,000,000
Total eligible costs
\$ 18,000,000
Anticipated energy performance
Net-TEUI = 91 kWh/m ²
Total SAH funding request (20% of eligible costs)
\$ 3,600,000
SAH grant (50% of funding request)
\$ 2,160,000
SAH loan (50% of funding request)
\$ 1,440,000

What to expect

Application process

Capital project financing applicants must go through an initial proposal process, which consists of the submission of a simplified application package used to determine eligibility and suitability of your project. Once deemed eligible and suitable, you will proceed to the full application stage. If GMF has any questions at the initial proposal stage, a representative will reach out to you to further discuss the proposal. At the full application stage, you will be paired with a GMF staff member that will act as your point of contact through the process and will review your file, provide feedback and may invite you to revisit steps to ensure the completeness and quality of your application.

Loan information

GMF capital project funding comes in the form of a loan in combination with a grant. GMF aims to provide loans with market competitive interest rates, in combination with substantial grants to reduce the debt burden and make energy-efficiency measures with higher capital costs accessible. For additional information on standard loan terms, see [Appendix D](#).

This section below provides an overview of the application and review process.



STEP 1: Pre-application submission

Applicants fill out a simple pre-application form and a project summary workbook. This is a higher-level summary of the project and key financials for GMF review. Applicants must also provide a few key documents related to the environmental outcomes of their project.

STEP 2: Pre-application review

GMF staff review pre-applications to determine applicant and project eligibility and suitability of the project before inviting the applicant to complete the full application.

STEP 3: Full application submission

If eligible and suitable, the applicant is asked to complete a full application form, workbook and submission of additional required documents. GMF staff are available to assist applicants with any questions they have in filling out the full application form and workbook as well as questions regarding the supporting documents. When ready, applicants are asked to verify that all documentation is complete before submitting to GMF. It is expected that full applications are submitted within a reasonable timeframe following the pre-application stage.

STEP 4: GMF application review

GMF staff reviews the proposal for accuracy and completeness, working with applicants to resolve any remaining questions. Applications cannot proceed to peer review without all required documents.

STEP 5: Peer review

An external expert peer review panel provides analysis of the project proposal. Feedback from the peer review panel is shared with the applicant. Peer review evaluation is coupled with internal analysis to provide a funding recommendation.

STEP 6: Credit risk assessment

GMF staff will review project financials for viability and verify that all project financials (e.g. project workbook, summary, pro forma, operating budget, etc.) align and are supported by documentation.

STEP 7: FCM funding decision

Funding decisions for capital projects are made by GMF Council and FCM's Board of Directors.

STEP 8: Contracting

Following a successful application process, GMF staff will work with clients to successfully complete a contract with funding and disbursement terms and reporting requirements. A term sheet outlining the key terms and conditions of the loan will typically be shared for signature. Following negotiation of these terms, a loan and grant agreement will be finalized. This process may also be impacted by security registration and agreements with other sources of funding on the project.

Navigate the FCM funding portal

All applicants requesting funding must complete their pre- and full application forms through FCM's [funding portal](#). To access the funding portal, you must register with FCM to create your client profile:

- From the funding portal home page, click Register Now.
- Fill in all the fields and click Submit. This will send a service request to FCM.
- Check your email. You will receive a message with a PIN and instructions for accessing the funding portal and choosing your password.

Once you have access to the funding portal and your client profile:

- Select My Applications from the menu on the left.
- Click the folder icon for the desired program name (FCM Green Municipal Fund – Sustainable Affordable Housing).
- Select New Submission. Click Next to select the project type you are applying to and complete the pre-application questions. Note that the pre-application contains questions that will be carried over to the full application and your responses will remain available. The questions contained in both the pre-application and full application are indicated with the following icon (📄).
- When your pre-application has been reviewed for eligibility and suitability, you will be informed that the full application is available through FCM's funding portal, ready for you to complete and submit.

How to apply

Application instructions

Follow the directions below as you complete your SAH funding application. This guide includes all the information you will need to complete the full application for a capital project. Your complete application will include:

- the pre-application submission
- the online application form
- a project workbook
- all required supporting documents

TIP: Remember that you can save your progress at any time at the bottom of the page and return to the form later to revise or complete it.

Applicant information (📄)

Tell us who you are, where you are from, and a bit about your organization.

Participating organization

Please provide the name and role of each participating organization:

- **Lead applicant** – the organization that signs the contract with FCM, oversees the initiatives (even if it has a third party complete the work), incurs the costs of the initiative, and submits the required reporting to FCM. Please provide the contact information for the individual authorized to act on behalf of the lead applicant. Consultants may submit an application on behalf of a lead applicant, however, the lead applicant organization will necessarily be engaged during the process.

- **Lead municipality** – the municipality where the initiative is taking place or that will benefit from the initiative. If your organization is not a municipal government, your initiative must be supported by one. You are required to provide a support letter from the municipality (as noted in required documents). The letter should simply state the municipality's support of the project. The letter must be signed by the mayor on behalf of council, or by the municipality's chief administrative officer (CAO) or city manager. The letter may also specify any way in which the municipality demonstrates that support, if applicable (e.g., in-kind, financial contribution, land donation, etc.), however not required. (Note: municipal corporations must complete this step.)

Organization information

Tell us about your organization (the housing provider lead applicant). Please include information on the following: how long you have been operating, how many units are in your portfolio, what population your organization primarily serves, and, if applicable, current operating agreement(s)/program(s) and if your organization is a member of any local, regional or provincial/territorial housing associations or networks.

Project team members

Please provide the lead contact on the project team. Non-municipal applicants should also provide your main contact at your local municipality. Note that municipal contacts may be contacted by FCM to discuss an application.

Other team members may also be added to collaborate on your application. Note that the lead contact will receive application processing updates.

Application support

GMF has partnered with the Community Housing Transformation Centre, the BC Non-Profit Housing Association, and the Co-operative Housing Federation of Canada to pilot a Regional Energy Coach (REC) initiative. These Coaches help providers initiate and plan energy efficient retrofits and new construction. If you received support from one of these organizations in the planning of your project, please let us know.

Awareness

Tell us how you heard about GMF and SAH funding.

Project information

Tell us about your initiative, the anticipated benefits, and why this project is important to your organization or community.

The **Project title** should:

- Describe whether the project is a retrofit or new build
- Mention the name of the sector or the name of the municipality/community
- Name the specific objective of the plan

Project scope

Let us know the characteristics of the building(s) you have in mind for this project. Please specify the project address, the building type, the number of units, who will be paying for utilities and if this project has previously received a SAH planning, study or pilot grant funding.

Environmental benefits

Environmental sustainability is critical to the work of the Green Municipal Fund, and as such, this is a key section that receives greater weight in funding decisions. Projects will be assessed based on both overall impact, as well as likelihood of achieving the anticipated benefits.

Please describe the environmental measures this capital project will implement and their expected outcomes. When doing so, please specifically explain the following:

- Energy – how your project will meet or exceed the required energy thresholds (for new builds: net-TEUI of 80 kwh/m² (120 kwh/m² in the north); or for retrofits: minimum 25% energy savings)? Which **energy conservation measures** (ECMs) from your **energy model** will be implemented?
- **Greenhouse Gas (GHG) emissions** – what GHG conservation measures will be implemented and what GHG savings will this achieve (e.g. net zero carbon)?
- Other environmental benefits – what other environmental benefits will be implemented (e.g. integrated climate change adaptation and resilience design, conserving water, reducing waste, improving natural assets, using sustainably sourced materials, reducing environmental nuisances such as light and noise, etc.)? Are these additional environmental benefits quantifiable? If so, please provide estimates (e.g., a smart grid project that allows more renewable generation projects to be integrated on to the grid).
- How will these environmental outcomes be beneficial to your project and community?

Please ensure that your application form response references and aligns with the specific activities/deliverables listed in the workbook and in your **energy model** and other supporting documents. Also ensure that the expected environmental outcomes can be compared to a baseline or assessment of the current state. For recommendations and requirements of additional documentation on environmental modelling, see **Appendix C**.

Economic and social benefits

Because environmental sustainability is GMF's key objective, we are looking for economic and social benefits that specifically result from the environmental measures included in projects. Energy savings can directly result in cost savings that can improve affordability. Energy efficient new builds and retrofits can improve the health and quality of life of residents. In responding to the following questions, please keep this critical connection in mind.

Economic benefits and affordability

Please describe how the measures implemented in your project will support maintaining or increasing affordability in your building. Please focus specifically on how the anticipated energy savings can generate cost savings and how these savings will be applied. Describe how many of the units will be rented at affordable prices (80% of MMR) and if this project will impact that number. Questions to consider answering in this section include:

- How will the solution(s) implemented in the project generate savings for the building? Consider the return on investment of the energy conservation measures that are being implemented.
- What are the anticipated operating cost savings generated by this project? What will the benefit of these savings be (e.g., operational savings will be invested in future capital projects, rents will be decreased, resident utility bills will decrease, etc.)?
- What are the other economic benefits of this project (e.g., extension of asset life, lower total cost of ownership, revenue generation, etc.)? Will your project impact local economic development and, if so, how?

Please draw links with other sections of the application form such as the description of the initiative, the environmental benefits and the workbook.

Social benefits

Please describe the social benefits that will result from the environmental measures being implemented in your project. Where possible, describe how these social benefits will be quantified and measured. These social benefits may include:

- Improving health of residents
- Improving resident comfort or quality of life
- Improving safety of residents
- Improving building quality
- Improving building environment (e.g., light, smell, noise, heat)
- Improving service reliability
- Improving your ability to adapt to climate change
- Creating a sense of community

Include any additional social benefits that will result from your project (e.g. accessibility, programming, creating jobs, etc.), if applicable. We recognize that providing affordable housing is in itself an important social benefit. For the purposes of this question, focus on benefits that go above and beyond providing shelter.

Measuring and monitoring

Keeping track of your building's performance post-construction/renovation is essential to ensure that you are getting the cost savings and other benefits that you expected. Often buildings don't perform as expected post-construction and a good monitoring system will help you quickly identify the issue.

For SAH capital projects, it is required that you monitor and report on data for twelve months post occupancy (note that retrofit grant amounts will NOT be impacted by these results). You are strongly encouraged to consider if a **building energy monitoring system** is a fit for

your project, the implementation of which can be funded by your SAH financing. You may also consider exploring more interactive and innovative ways to measure and monitor outcomes (e.g. dashboard accessible to residents, separate monitoring of specific systems).

For this question, please describe the type of measurement and monitoring plan (for environmental, economic and social benefits) you are implementing. Describe the following aspects of your project:

- What are the benefits you will be measuring? Consider environmental (energy and GHG) performance, business case and improved level of service.
- What data will be tracked?
- How will the data be measured (direct, modelling, estimation, etc.) and captured?
- What assumptions, if any, will be applied?
- Who will look at the data and is training required?
- How will the data be used?
- How will identified performance issues be resolved?
- What data will be aggregated to be shared and applied to other projects?

Please identify if your project includes the implementation of a **building energy monitoring system**.

A building energy monitoring system includes hardware and software that provides detailed information on current and past energy use of your building. This information helps to keep track of a building's energy use.

TIP: Commissioning and retro-commissioning of implemented systems is considered a best practice and can help ensure performance and associated benefits (both environmental and cost savings) are as expected. The cost of commissioning and retro-commissioning is considered eligible for GMF funding and can be included in your project budget.



HELPFUL RESOURCE

FCM has partnered with the Saskatchewan Environmental Society and the Community Housing Transformation Centre to offer a free, self-paced [Building Operators Training \(BOT\) program](#) for the affordable housing sector across Canada. This self-paced BOT course will demonstrate the basics of energy efficiency, new technologies, and facility retrofits that will save energy and money.

Replication

Consideration of how a project could be replicated within a broader portfolio or the sector is helpful to ensure that more affordable housing buildings achieve energy efficient performance with confidence in their outcomes. A project is considered replicable when it demonstrates the following:

- Models/best practices that have demonstrated proven results are applied to project design (i.e. building elements used by the housing sector (e.g. heat pumps, solar PV, etc.) or the application of specific certifications or standards (e.g. Passive House));
- Solution(s) that address common problems or key challenges in the affordable housing sector;
- Clear market drivers for the adoption of solution (e.g., cost savings over status quo, financial returns, regulation requirements and incentives); or

- The use of commonly understood metrics and measures to show performance.

Describe what elements of your project are being tested with the potential for replication, either within your portfolio or for projects by other housing providers. Describe how you will document and share the data, lessons and results of your project, including with GMF. Give specific examples of mechanisms you will consider to encourage adoption and replication such as, but not limited to:

- Application of lessons to future projects for your organization;
- Sharing of project results, for example through a case study, toolkit, infographic, webinar, participation in a community of practice, etc.;
- Partnership with one or more other organizations with mandates for replicating solutions (e.g. association, university, NGO, etc.);
- Partnership with other housing providers, or expressed interest from other housing providers, indicating a desire to replicate the solution if it is successful.

Capacity building and stakeholder engagement

Capacity building

Please describe how the results of this project will be shared and used to increase knowledge across your organization, with residents, and the affordable housing sector. Primarily focus your response on capacity related to the environmental measures undertaken in your project. Some considerations could include:

- What knowledge gap will this project address in your own organization (either with staff or with residents)?
- What knowledge gap will this project address in the wider housing provider community? How will this knowledge be shared?

- Will you engage residents to build their capacity and understanding of how their actions can contribute to improving environmental outcomes as a part of this project?
- What educational activities or materials do you plan on creating to continue sharing knowledge and lessons learned? How will these be shared with GMF?
- Will you use local resources (e.g., trades, contractors, consultants, etc.) to build knowledge and skills for energy-related projects within your own community?

Stakeholder engagement

Please identify all relevant stakeholders that you plan to engage in the design and construction of your project. Some stakeholders may include: neighbours, neighbourhood/community associations, agencies/service providers, citizen groups, council/municipal staff.

Please specifically outline any plans for engagement of people with lived experience. If this project is a retrofit, describe engagement with residents and, if applicable, how your organization will address resident displacement. It may also be helpful to consider plans to address potential opposition to the project from local residents (i.e., **NIMBYism**).

For all engagement, describe the level, type of interactions and input you will seek from stakeholders.

Innovation

This section asks an applicant to describe the innovative aspects of your project. SAH funding is intended to support innovative and impactful projects that improve environmental outcomes. GMF recognizes that innovation is a *relative* measure and can mean different things to different people and organizations. What is innovative for a small housing provider may not be so for a large one. When answering this question,

consider how the innovative solutions being implemented in your project relate to the specific context of your organization/community.

Innovative aspects of the project

Describe the innovative solution(s) implemented in this project. In answering this question, give particular consideration to how each environmental measure being implemented is considered ambitious in the affordable housing sector, your community, and/or your organization. Also describe other innovative economic and social outcomes being implemented in your project. Where possible, describe and quantify how it is better than the baseline or current practice/state.

A project is considered to be implementing innovative solutions when it considers at least one of the following:

- Development and/or application of new knowledge, policy, practice or advanced technology,
- A new and/or emerging application of an existing technology or practice, or
- The adoption of a knowledge or practice new to a community or provider to suit the circumstances of that particular community or provider, or the adoption of advanced technology.

Uncertainties around innovation (audacity)

Implementing new and innovative solutions can create risks that, if unaddressed, could lead to uncertainties in the outcomes of a project. When answering this question, take into consideration the challenges your organization may face specifically in implementing the new and innovative solution(s) (e.g. lack of experience or expertise, system failures, increased costs that could impact affordability, etc.). For each risk, describe how the project is considering and mitigating the potential impact(s) to ensure a successful outcome.

Executive summary

Now that you have gone through the whole form, this is your chance to summarize your project in a couple of paragraphs. In completing this section, consider the following:

- Why are you applying for SAH capital financing?
- What are the benefits that are expected as a result of this project? In particular, what are the energy and GHG savings you will be aiming for and why are they ambitious. How will receiving SAH financing support you in achieving these benefits?
- Why is this project important for your community and what problem(s) are you trying to solve?
- How are you setting up this project for success (e.g. project team, project management, risk mitigation plan, etc.)?

Please provide any other information that you feel is relevant in helping GMF to understand your project and intended outcomes.

Required documents

Required documents provide important information about the applicant organization and the details of the project. Items mentioned in the supporting document list are mandatory and applications cannot proceed in the review process without them. Further documentation may be requested or provided as needed and available. Documents indicated with a document icon (📄) are required at the pre-application stage.

Before submitting, please check the list of required supporting documents for your project based on the checklist below. Ensure that your documents have titles that properly reflect their nature.

Retrofits

Ownership documents¹²

- Constatting documents (i.e. founding articles) of Lead Applicant/Borrower
- Ownership/partnership documents and organizational chart outlining the names of all related shareholders, subsidiaries, key responsibilities and entity's corporate/reporting structures

Property

- Most recent development appraisal document (no less than three-year-old building appraisal)
- Description of current liens or mortgages on the property



Approvals

- Letter of support from municipality (City Manager/ CAO or mayor – for non-profits and municipal corporations only)
- Authorizing resolution or by-law, as applicable, from Lead Applicant Council or Board of Directors, confirming application to FCM for Loan and Grant funds

¹² FCM may request additional information to verify the legal status of the Lead Applicant/Borrower.


Retrofits

Environmental outcomes

- **ASHRAE Level 2** or similar **energy audit** that supports a 25% minimum energy reduction in the building's energy use, including cost of each **energy conservation measure** (ECM) 
- If the project includes renewable energy production, a solar PV (or other renewable energy) quotation from a qualified contractor 

*Please refer to [Appendix C](#) for a detailed description of recommended contents of **energy audit** documentation*

Financials

- Engineered or quantity surveyor budget estimate (minimum Class C prepared by a third party)
- Proforma model of the proposed retrofit including energy savings quantified in yearly dollar value with who will benefit from the cost savings identified (i.e. either landlord or residents)
- Updated rent rolls, if residents will be displaced during the retrofit
- Audited Financial Statements for the most recent three years and for each guarantor (if applicable). If Audited Financial Statements not available, financial statements that have undergone a review engagement may be accepted 
- Proof of all confirmed sources of capital funding (financing, grants, in-kind, forgivable loans, waiver of development charges & fees (as applicable))
- Operating agreement, letter or other documentation for all sources of operational funding (e.g. rent supplement, operating subsidy, property tax waiver, etc.)
- Any and all commercial lease agreements


Project team

- Resumes of five (maximum) main project leads

Risk management

- A project risk registry or risk mitigation document

Project workbook

- Completed [project summary sheet template](#) from FCM 
- Completed project workbook template from FCM

New Builds

Ownership documents¹³

- Constatting documents (i.e. founding articles) of Lead Applicant/Borrower
- Ownership/partnership documents and organizational chart outlining the names of all related shareholders, subsidiaries, key responsibilities and entity's corporate/reporting structures

Property

- Most recent appraisal report (no less than three-year-old building appraisal)
- Proof of land availability, for example:
 - A letter from the province or city/municipality confirming the land is available and being provided to the applicant for use
 - Copy of all lease agreements (operating, land, subleases, etc.)
 - If the land is already owned, a recent property tax statement




Approvals

- Letter of support from municipality (City Manager/ CAO or Mayor – for non-profits and municipal corporations only)
- Authorizing resolution or by-law, as applicable, from Lead Applicant Council or Board of Directors, confirming application to FCM for Loan and Grant funds
- Phase 1 Environmental Site Assessment

¹³ FCM may request additional information to verify the legal status of the Lead Applicant/Borrower.

New Builds

Environmental outcomes

- **Energy model** that supports net Total Energy Use Intensity (net-TEUI¹⁴) of equal to or less than 80kWh/m² (120kWh/m² for northern communities¹⁵) 
- If the project includes renewable energy production, a solar PV (or other renewable energy) quotation from a qualified contractor 
- Preliminary architectural drawings and mechanical specifications outlining the total modeled floor area (which should include both residential and non-residential areas), number of units, floor layouts, building envelope properties, HVAC equipment efficiencies, etc. 

Please refer to [Appendix C](#) for a detailed description of recommended contents of **energy model** documentation

Financials

- Engineer or quantity surveyor budget estimate (minimum Class C prepared by a third party)
- Proforma model of the proposed development (including all debt repayments and calculation of debt coverage ratio)
- Audited Financial Statements for the most recent three years and for each guarantor (if applicable). If Audited Financial Statements not available, financial statements that have undergone a review engagement may be accepted
- Proof of all confirmed sources of capital funding (financing, grants, in-kind, forgivable loans, waiver of development charges & fees (as applicable))
- Operating agreement, letter or other documentation for all sources of operational funding (e.g. rent supplement, operating subsidy, property tax waiver, etc.)
- Any and all commercial lease agreements


Project team

- Resumes of five (maximum) main project leads

Risk management

- A project risk registry or risk mitigation document

Project workbook

- Completed [project summary sheet template](#) from FCM 
- Completed project workbook template from FCM

¹⁴ Net TEUI refers to the total annual energy demand from all sources for all energy uses (including electricity and fuel used interior and exterior to the building), minus projected annual on-site renewable energy production, divided by the interior area of the building.

¹⁵ The North is defined as the three territories and the northern extent of seven provinces. This includes portions of the following provinces defined by Statistics Canada codes: Newfoundland and Labrador (10), Québec (24), Ontario (35), Manitoba (46), Saskatchewan (47), Alberta (48) and British Columbia (59). This definition aligns with National Housing Strategy definition.

TIP: If possible, add to each document's title the application section (e.g., environmental benefits, etc.) that the document supports and reference specific pages in supporting documentation in your application. This will help ensure staff and peer reviewers are best positioned to evaluate your application.

Project workbook

In addition to your application in the funding portal, you will be sent a separate project workbook file to complete and upload with other required documents. Please complete the project workbook by following the detailed instructions available directly within it and if you have any trouble, please reach out to GMF staff for assistance.

Project management is an essential component in GMF's evaluation of any funding proposal. We will be looking for a budget and workplan that are aligned with your application form and project objectives. The workbook contains the following:

- Project budget and plan – asks for your project budget, timeline and deliverables and sources of funding for your project. When completing these sections, ensure that the budget and deliverables reflect project activities and milestones.
- Project summary sheet/pro forma – asks for operating financials to assess viability of project.
- Project team – asks for up to five key team members, including role, qualifications and experience.
- Project risks – asks for the most significant risks to implementing your project and how these risks will be mitigated. If your project is a retrofit with residents in the building, you are encouraged to note the steps you are undertaking to address disruption or displacement/relocation.

Declaration and signature

Simply type out the information of the person with signing authority from the lead applicant organization that will sign the application. Note that the person may differ from the lead applicant primary contact.

TIP: Before submitting, consider the following questions:

- Are your project's purpose and deliverables appropriate and consistent with your community's affordable housing context and needs?
- Are your project's deliverables going to achieve SAH's environmental and affordability thresholds?
- Is the proposed budget and work plan aligned with other documentation (Class estimate, proforma)?
- Is your project team properly equipped to successfully carry out this project?
- Have you answered all the questions in the application and project workbook?
- Have you uploaded all the required documents*?

*Note that all required documents must be provided for an application to be considered complete. It is only following a *complete* submission that costs incurred are considered eligible.

Project evaluation

Applications to GMF funding are evaluated by GMF staff and third-party peer reviewers. Evaluations consider application completeness as well as the review of application information assessed against a set of criteria. The evaluation process supports GMF in funding decisions. Feedback is shared with applicants throughout the review process.

The directions outlined in this guide are designed to give you the information you need to succeed in the project evaluation. Reviewers will be looking to ensure that applications consider and answer each question and element in this guide. While performing well on each element is required for a successful application, the environmental considerations question is the most important in the evaluation. Reviewers will also be looking to see how these environmental considerations are reflected in each question and consistent and coherent throughout the application.

GMF will evaluate projects submitted for funding consideration using the following three criteria:

- **Impact:** The project has the potential to: generate significant environmental benefits, including energy savings and GHG emissions reductions, as well as other improvements or sustainable practices; positively impact affordability for providers or residents; and, result in social benefits (e.g. improved health, quality of life or community economic development). This considers project and applicant specific context (e.g. size of provider, region, etc.).

- **Implementation:** The project is designed holistically with a strong project management approach that includes planning, risk management, stakeholder engagement and appropriate resourcing.
- **Transformative potential:** The project exemplifies transformative potential through the implementation of new and ambitious solutions and demonstrates a high likelihood of replication. GMF recognizes the importance of confidence in environmental performance results and the potential impact on operating costs, and as a result, encourages consideration of risk and knowledge sharing.

The three key criteria described above are further broken down in Table 5.

Table 5: Evaluation criteria for SAH applications

Impact	Implementation	Transformative potential
<ul style="list-style-type: none"> • Environmental benefits • Economic benefits and affordability • Social benefits • Relative impact (considers provider size and context) 	<ul style="list-style-type: none"> • Stakeholder engagement • Team and partners • Workplan and budget • Risk management • Measurement and monitoring 	<ul style="list-style-type: none"> • Innovation and audacity • Capacity building • Replication

NEED HELP, OR HAVE SUGGESTIONS TO IMPROVE THIS GUIDE?



If you are having trouble completing the application, uploading files or simply have some questions, give us a call at 1-877-417-0550 or email us at gmfinfo@fcm.ca.



Appendix A: Glossary of Key Terms

Baseline energy consumption – The amount of energy (electricity, natural gas, etc.) that the building consumed over 12 consecutive months prior to the retrofit. Baseline energy cost is the cost of the electricity, natural gas, etc. during the same 12-month period for which baseline energy use was calculated.

Building condition assessment (BCA) – An assessment that determines the state of a commercial building's structure and systems; useful for determining what maintenance is required and where priorities should lie; includes a detailed inspection of every aspect of the building from the roof to the plumbing to the fixtures.

Building energy monitoring system – A system with hardware and software that provides detailed information on current and past energy use of your building. This information helps to keep track of a building's energy use.

Building envelope – Exterior of a building, including exterior walls, foundation, attic, windows and doors; having a better envelope means that heating and cooling systems can be smaller or run less, which makes them less expensive to operate.

Building performance standards – Requirements to meet energy performance targets. Certifications and other targets have been developed to achieve higher levels of energy efficiency. Even if you don't intend to obtain a certification, using the certification's documentation and targets can help you improve your building's efficiency. Common certifications include [Passive House](#) or [Canada Green Building Council's Zero Carbon Building Standard](#). Net zero is not a specific certification.

Canada Green Building Council's Zero Carbon Building – A building performance standard that outlines a framework for zero-carbon building that is highly energy-efficient and minimizes greenhouse gas emissions from building materials and operations. Visit the [CABGC website](#) for more information.

DHW – Domestic Hot Water, simply referring to hot water equipment like hot water tanks, or tankless (instantaneous) hot water heaters, or even heat pumps that heat water.

Energy audit [ASHRAE level 2] – An audit that provides more detailed energy analysis, calculations and financial analysis.

Energy conservation measure (ECM) – Is an upgrade to a building component or installation of energy-saving equipment, with the primary goal of saving energy.

Energy management – Is planning and managing the energy use in a building or organization by identifying opportunities, taking action to save energy and reporting on progress.

Energy model – A computer-generated calculation estimates energy savings for one or more ECMs; completed by an energy efficiency expert, typically after an audit.

EnerGuide rating system – Standardized system created by NRCan to rate the energy efficiency of homes and gives a breakdown of energy use; homeowner is provided with a label showing the home's score as well as how it compares to other buildings.

Greenhouse gas (GHG) emissions – Burning fuel to produce energy release gasses. These gasses trap heat in the atmosphere and are called 'greenhouse gas'. These types of GHG emissions are expressed in terms of equivalent tonnes of carbon dioxide (CO₂). Using less energy can cut down on GHG emissions.

HVAC – Heating Ventilation and Air Conditioning, refers to heating devices (furnaces, baseboard heaters, air source heat pumps) or cooling systems (e.g. air conditioners) and ventilation systems (e.g. Heat Recovery Ventilators [HRVs], exhaust fans).

Net Zero Energy (NZE) – A building that produces as much energy on site as it consumes on an annual basis. To accomplish this, the building must be constructed in an efficient way and has a means of on-site renewable energy generation (solar panels or wind turbines). In the winter or at night, electricity is taken from the grid to run the building. During the day, the solar panels run the building and excess electricity is fed back into the grid. Because of this, the building will have low or no energy costs.

Net Zero Energy Ready (NZER) – A building that is designed with very low energy consumption but does not yet have its on-site energy generation systems installed. This is sometimes done due to limited funding (solar can be added later) or in anticipation of solar panel prices dropping. For the purposes of SAH, a NZER building is a high-performance building with very low energy demand. Buildings in most regions must target a net annual total energy use intensity (TEUI) of less than 80 kWh/m² at project completion. The positive impact of renewable energy generation may be included in the total energy use calculation. Northern applicants may target a net annual TEUI of up to 120 kWh/m².

NIMBYism – ('not in my backyard') Describes the phenomenon in which residents of a neighbourhood designate a new development (e.g. shelter, affordable housing, group home) or change in occupancy of an existing development as inappropriate or unwanted for their local area.

Passive House® – A building performance standard that specifies a very high level of energy performance by focusing on the building's insulation, airtightness, passive solar gain, and ventilation system efficiency. The result is a building requiring very little heating and cooling energy that is usually net-zero ready. Visit the [Passive House Canada website](#) for more information.

R-value – This is a measurement of the insulation of a material; the higher the R-value, the more insulating it is. Layering materials increases the R-value. For example, triple-glazed windows have a higher R-value than double-glazed windows and adding foam insulation to an attic will increase the overall R-value of the attic.

Solar PV – Solar photovoltaics are a form of renewable energy, converting energy from the sun directly into electricity.

Total energy use intensity (TEUI pronounced “2E”) – A measure of the total energy required by a building (heating, lighting, air conditioning, heating hot water, etc.). Improving the TEUI value happens when you decrease the energy used in a building. A ‘net-TEUI’ considers the positive impact of renewable energy on the energy performance of the building.

Walkthrough audit [ASHRAE level 1] – A type of audit that allows for a high-level assessment of a building; the auditor will get an understanding of current operations and identify areas of focus to reduce energy consumption.



Appendix B: GMF Eligible and Ineligible Costs

This table outlines what costs can be funded by FCM. Please pay particular attention to any costs that may be ineligible.

Section A: Costs incurred prior to date application received by FCM		
Cost Category	Eligible costs	Ineligible costs
1. Preparation of full application	Consulting costs to simply write the GMF application, including inserting information into the Project Workbook, incurred up to 90 days prior to application receipt date (maximum \$5,000)	All other costs incurred prior to application receipt date, including any stakeholder engagement or research that took place to support the writing of the full application or to support the insertion of information in the Project Workbook.

Section B: Costs incurred after date application received by FCM

Cost Category	Eligible costs	Ineligible costs
2. Administrative	<p>Administrative costs that are directly linked to and have been incurred for the project, such as:</p> <ul style="list-style-type: none"> • communication costs (e.g., long-distance calls or faxes) • permits or certifications required for the project • printing or photocopying by outside suppliers • acquisition of documents used exclusively for the project • document translation 	Office space, supplies and general overhead costs incurred in the ordinary course of business.
3. Advertising	<p>Advertising costs essential to communicating the project to the public, as well as project evaluation, such as:</p> <ul style="list-style-type: none"> • fees for advertising development • fees for media distribution • website development • public surveys 	<ul style="list-style-type: none"> • Advertising costs for general education or publicity that is a result of ongoing or other business activity and not a specific requirement of the project. • Promotional items.
4. Audit (capital projects only)	<p>The cost of a third-party financial audit for the capital project if required by FCM.</p> <p>The cost of a third-party environmental audit for the environmental results report.</p>	N/A

Section B: Costs incurred after date application received by FCM

Cost Category	Eligible costs	Ineligible costs
5. Capital (capital and pilot projects only)	<p>Pilot projects: Rental or purchase of equipment or assets that are essential for conducting the small-scale activity. This would include specialized system hardware and software, construction costs, materials, renovation and modernization costs, and installation costs.</p> <p>Capital projects: Capital costs as defined and determined in accordance with generally accepted accounting principles (GAAP), including:</p> <ul style="list-style-type: none"> costs for acquiring, developing, constructing, modernizing or leasing systems (equipment, hardware, software, etc.). costs of construction, renovation or modernization of facilities and structures such as materials and installation costs. 	Purchase or lease of real property.
6. Servicing costs and road costs (capital project)	<p>For Brownfields projects only:</p> <ul style="list-style-type: none"> Servicing costs – whether they are for the immediate site or for the street. Road costs – as part of an eligible remediation and redevelopment project. <p>Primary costs need to be for remediation of the land (i.e. linked to reducing greenfield development).</p> <p>The above costs are only eligible if they are tied to a remediation project and cannot be higher than the remediation costs.</p>	Strictly replacing a road (i.e., road to road) is not considered eligible.

Section B: Costs incurred after date application received by FCM

Cost Category	Eligible costs	Ineligible costs
7. Equipment rental	Rental of tools and equipment related to the project.	Rental of tools or equipment related to ongoing or other business activities.
8. Meetings and public gatherings	<p>Costs related to meetings and public gatherings that communicate the project to the public and that collect feedback, such as:</p> <ul style="list-style-type: none"> • facility rental • audiovisual equipment rental 	<p>Any hospitality expenses such as:</p> <ul style="list-style-type: none"> • food and drink • alcohol • door prizes • entertainment • music • decorations, flowers, centerpieces, etc.
9. Services	Fees for professional or technical consultants and contractors.	<p>Capital projects: Any costs associated with person(s) enrolled on your organization's payroll, except for those defined under the category listed as "in-kind."</p> <p>All: Costs for engineering studies, audit studies or feasibility studies for which grants or contributions are provided by or committed to be provided by any program of the Government of Canada.</p>

Section B: Costs incurred after date application received by FCM

Cost Category	Eligible costs	Ineligible costs
10. Staff remuneration (plans, studies and pilots)	<p>Daily rates actually paid by the eligible recipient to its employees (including permanent and contract employees) in Canada for time actually worked on the implementation of the project. The daily rate per employee shall include the following costs:</p> <ul style="list-style-type: none"> • Direct salaries: actual and justifiable sums paid by the eligible recipient to employees in accordance with the eligible recipient's pay scales as regular salary excluding overtime pay and bonuses • Fringe benefit, in accordance with the eligible recipient's policies, as follows: <ul style="list-style-type: none"> a. Time-off benefits (prorated to the annual percentage of time actually worked on the implementation of the project); allowable number of days to be paid by the eligible recipient for the payable absences of statutory holidays and annual vacation b. Paid benefits: actual sums paid by the eligible recipient for paid benefits (prorated to the annual percentage of time actually worked on the implementation of the project); this includes the eligible recipient's contribution to employment insurance and workers' compensation plans (where applicable), health and medical insurance, group life insurance, or other mandatory government benefits <p>Note: For private (for-profit) entities only, as determined by FCM, the value of total staff remuneration cannot exceed 10% of the project's eligible costs.</p>	<ul style="list-style-type: none"> • Overtime pay • Bonuses/ performance pay • Fringe benefits, such as sick days, maternity leave, parental leave, pension plan and any other fringe benefits not listed as eligible • Costs related to ongoing or other regular business activities and not specifically required for the project • Staff wages while receiving training or attending learning events • Professional membership fees or dues • Staff remuneration for which FCM has provided (or committed to provide) a grant or contribution (This includes funding provided or committed through Climate Change Staff Grants from FCM's Municipalities for Climate Innovation Program.

Section B: Costs incurred after date application received by FCM

Cost Category	Eligible costs	Ineligible costs
11. Supplies and materials (plans, studies, pilots)	Supplies and materials that are specifically needed to undertake the project.	Costs related to ongoing or other business activities that are not a specific requirement of the project.
12. Transportation, shipping and courier charges	Transportation costs for delivery of materials and services essential for the project.	Any transportation expense related to ongoing or other business activities.
13. Travel and accommodation	Travel and project-associated expenses for you and consultants to the extent that the travel and accommodation rates comply with Treasury Board of Canada guidelines and to the extent that such travel is necessary to complete the project.	<ul style="list-style-type: none"> Travel and associated expenses of a partner in the project. Travel, accommodation and fees to attend conferences, missions, trade shows, etc.
14. Taxes	The portion of taxes for which your organization is not otherwise eligible for rebate.	The portion of taxes for which your organization is eligible for rebate (provincial, territorial, or federal).
15. In-kind	<p>Plans, studies and pilots: N/A</p> <p>Capital projects: Contribution of staff time by your organization's employees (including permanent and contract employees). The value of the total in-kind contributions for staff salaries or other remuneration cannot exceed 10% of the other eligible costs.</p> <p>To claim this type of in-kind contribution, you will have to submit a letter from an authorized officer in your organization confirming the details of the in-kind contribution.</p>	<p>Plans, studies and pilots: Any goods and services that are received through donation or in-kind.</p> <p>Capital projects:</p> <ul style="list-style-type: none"> In-kind contribution of goods and services other than salaries. In-kind contribution made by organizations other than yours. In-kind contribution by your organization above 10% of the project's eligible costs



Appendix C: Elements of a Strong Study for Capital Funding

Whether you are applying for SAH study funding to complete an analysis in preparation for construction, or you are applying for SAH pilot or capital funding and are required to provide a study, this appendix provides a reference to key elements that will be expected in a strong application. In particular, this appendix outlines what is required from an energy and environmental perspective for the evaluation of your SAH capital project application. We recommend that you share this appendix with any contractors you bring onto your project to support this work. A [Regional Energy Coach](#) can also provide assistance as required.

Energy study elements

Retrofits: energy audit/model report and calculations

Energy audits for SAH applications must be either:

(a) An **ASHRAE Level II energy audit** or similar report, or a Passive House EnerPHit energy assessment, completed or approved by a Professional Engineer (P.Eng), Certified Energy Manager (CEM), Certified Energy Auditor (CEA), Building Energy Modelling Professional (BEMP), certified Passive House consultant or similar.

Or

(b) For detached homes, duplexes, triplexes, and row homes, the **energy audit** can be provided per (a) above; alternatively, an energy audit under the EnerGuide Rating System is acceptable (include in your application: the .h2k HOT200 file, the Home Owner Info Sheet and the Renovation Upgrade Report, and upon project completion, a post-retrofit Home Owner Info Sheet), approved by an NRCan-registered Energy Advisor.

Your **energy audit** report and analysis should include:

- Description of building, including address, year built, number of units, floor area, and photographs
- Information on current environmental performance, including:
 - **Baseline energy consumption** and cost based on a minimum 12 consecutive months of utility bills, including a breakdown by fuel type (electricity, natural gas, etc.) prior to the retrofit (these 12 months do not need to be immediately before the retrofit)*
 - Description of **building envelope** including roof and wall insulation **R values** and fenestration (window and door) properties
 - Description of heating ventilation and air conditioning (HVAC) and domestic hot water (DHW equipment), including age, specifications and equipment efficiencies where applicable
 - Energy end-use breakdown for all building systems including (but not limited to) lighting, space heating, space cooling, domestic hot water, ventilation, etc.
 - Annual baseline GHG emissions
 - Explanation or list of assumptions – for example if the building’s wall insulation amounts are unknown, and R12 has been assumed and inputted into the baseline energy model, list this as an assumption accordingly.
- A summary table and analysis of all **energy conservation measures** (ECMs), including (for each ECM) – see *example below*:
 - Describe the existing system and the recommended upgrade*
 - Calculate and list annual energy savings, annual energy cost savings and GHG savings*
 - List expected new system lifetime, simple payback or net present value calculation
 - Calculate lifetime energy and GHG savings
 - Cost for each ECM (this is not required for Energuide reports)
 - Interactions between **ECMs** must be taken into account
- Photos of building exterior, interior and HVAC equipment pre-retrofit.
- How energy savings will be measured after installation (this may be completed through the collection of utility bills or through installation of a Building Energy Monitoring System)

**Note that if your retrofit includes the addition of cooling (air conditioning) to a building, an adjusted baseline can be included that considers what energy use would have been with additional energy use from cooling in the building before retrofit. Post-retrofit energy savings can be calculated with this adjusted baseline.*

The introduction of cooling in a changing climate is important for resident health.

Sample ECM table:

Example ECM Table											
			optional				optional		optional		optional
Description of new building component condition.			Negative savings are not uncommon. In the ECM #2 example, 18,000 m ³ (186,300 kWh) natural gas savings are combined with a 90,000 kWh/yr increase in electricity, resulting in net energy savings of 96,300 kWh/year.						Expected lifetime of new building component.	Total GHG savings over the ECM's lifetime.	
ECM#	ECM Description	Estimated Capital Cost	Annual Natural Gas Savings (m ³)	Annual Electricity Savings (kWh)	Other enrgy savings (units)	Total Annual Energy Savings (ekWh)	Annual Energy Savings (\$)	Simple Payback (years) (Estimated Capital Cost/ Annual Energy Savings)	Annual GHG savings (tons CO2e)	ECM Lifetime (years) <i>See below for typical lifetimes</i>	Lifetime GHG savings (tons CO2e)
1	Hot Water ASHP COP 3.0	\$125,000	14,000	-11,000	-	133,900	\$2,400	N/A	26	18	469
2	Space Heating ASHP COP 3.0	\$165,000	18,000	-90,000	-	96,300	-\$4,500	N/A	31	18	562
3	LED lighting upgrade	\$30,000	-1,000	45,000	-	34,650	\$4,250	7	-1	15	-8
4	Window upgrade (3-pane)	\$400,000	2,000	4,000	-	24,700	\$900	N/A	4	25	97
5	Programmable Thermostats	\$14,000	5,000	1,000	-	52,750	\$1,350	10	9	18	170
6	Airtightness ACH50 2.0	\$13,400	5,000	1,000	-	52,750	\$1,350	10	9	5	47
7	Rooftop solar panels	\$290,000	0	160,000	-	160,000	\$16,000	18	5	25	120
8	R-22 below grade walls	\$39,000	3,000	1,000	-	32,050	\$850	46	6	30	170
Total		\$ 1,076,400	36,800	99,900	-	136,700	\$18,210	Suggested ECM lifetimes: Heat Pumps - 15 years Air Conditioners - 15 years Door and window seals - 5 years Insulation - 30 years Windows, doors - 25 years Pumps - 15 years Boilers - 25 years			
Note: ECMs interact in such that the the total natural gas and electricity savings are lower than the simple sum of all individual ECMs. For example if a new, highly efficient heating system is installed, the building will use less natural gas, and as a result, subsequent energy savings from upgrading wall insulation will be lower than if the wall insulation was upgraded without the new efficient heating system.											

If you are applying for a capital project, please ensure that your application provides this additional information regarding your **energy audit** and calculations:

- Confirm if you intend to implement all of the report's **ECMs**, and if not, which are you actually planning on implementing?
- Of those **ECMs** that you intend to implement, do you intend to implement according to the details in the report (e.g. if the report says upgrade to COP 3.0 heat pumps, and you are actually going to upgrade to COP 3.0, and if not, to which COP)?

In order for your application to be assessed, your **energy audit** MUST include a utility bill analysis showing baseline electricity use, baseline natural gas use, etc. and total electricity savings, natural gas savings, etc. You must also ensure that ECM interactions are accounted for.

New builds: energy model

Energy models for SAH applications must be completed or approved by a Professional Engineer (P.Eng), Certified Energy Manager (CEM), Certified Energy Auditor (CEA), Building Energy Modelling Professional (BEMP), certified Passive House consultant, or similar.

Your energy model and analysis should include:

- Description of the proposed building, address, number of storeys, floor area of conditioned space, description of building uses (residential, daycare, office, etc.), number of dwellings/units, building drawings, and if available, renderings
- For multi-use buildings, a clear breakdown of building floor area (m² or ft²) divided according to building uses (e.g. dwellings, day care, school, office, etc.)
- A complete energy model summary report using industry standard modeling software, including but not limited to:
 - **Building envelope R values**
 - Window and door properties, fenestration and door area to gross wall area ratio (FDWR)
 - Lighting power densities, exterior lighting power
 - Descriptions and efficiencies of all HVAC and DHW equipment
 - Assumed air leakage/infiltration rate, assumed ventilation rates
- An analysis of energy end-uses (heating, cooling, interior lighting, exterior lighting, plug loads/equipment, fans, DHW, etc.)

- Breakdown of energy use by fuel type – how much electricity, how much natural gas, etc.
- For projects that include solar PV (or other renewables), a relevant quotation/ summary

If you are applying for a capital project and your **energy model** outlines options for implementation, please specify which option you are intending to implement.

In order for your application to be assessed, your **energy model** **MUST** include the building floor area and an analysis of all energy uses, including electricity and natural gas.

Non-energy study elements (all projects)

- Project financial analysis – typically a pro forma analysis that includes projected operating revenues and expenses (considering cost savings through ECMs), project budget and sources of funding
- Building condition assessment and property (land/improvements) appraisal
- Project schedule
- Key project risks, solutions and risk management recommendations
- An assessment of social and economic outcomes of the project
- Other feasibility analysis not listed, as required by the applicant



Appendix D: Loan Information

Loan terms

FCM offers loans with interest rates for 10, 20 or 30-year terms. Several factors, including the needs of your organization, are considered in determining the term of your loan. GMF loans with terms of 10 years have lower interest rates than loans with 20-year terms. Please contact your GMF project officer to indicate your preferred loan term or if you wish to discuss the available loan terms. Please note that the maximum term and amortization for FCM funded projects is 30 years.

Interest rates

FCM strives to offer competitive interest rates. FCM's interest rates will also depend on its priority relative to any other lender on the project and are also influenced by the Bank of Canada rates and the term of the loan.

Accrual of interest and repayment

Interest shall be accrued daily and calculated semi-annually from the Initial Loan Disbursement

Date, until the Principal Amount of the Loan is repaid in full. Interest shall become due and be payable semi-annually commencing on the date that is six (6) months following the Initial Loan Disbursement Date and shall continue to be paid semi-annually until the Principal Amount of the Loan and all interest are repaid in full.

Disbursements

- FCM disburses up to THREE combined loan and grant disbursements during construction, with a final grant holdback paid after 12 months of system performance reporting (Triple Bottom Line Report¹⁶).
- FCM disburses on a cost-incurred basis. The option for an initial non-cost incurred advance may be considered upon request by the applicant (subject to FCM review and approval).
- Disbursements require a 30- or 60-day processing period, depending on the value of the request for cost-incurred funds, from the time of complete submission of the disbursement request and accompanying documentation.

Note that loans and grants must be disbursed together, grants may not be disbursed in advance of the loan.

¹⁶ FCM requires 12 consecutive months of energy monitoring and reporting prior to disbursement of final grant funding. Actual will be compared to anticipated energy performance. The grant holdback will be prorated according to the FCM loan ask, up to a maximum of \$100,000.

Table 6: Standard Disbursement options for SAH Capital Projects:¹⁷

Actual loan disbursement based on eligible costs incurred; actual grant amount based on actual loan disbursed.

OPTION A	OPTION B	OPTION C
1 loan and grant disbursement, 1 final grant	2 loan and grant disbursements, 1 final grant	3 loan and grant disbursements, 1 final grant
Final loan and First Grant <ul style="list-style-type: none"> Principal Amount of the Loan Grant amount less final grant (maximum \$100K) 	First Loan and Grant <ul style="list-style-type: none"> Portion of the Principal Amount of the Loan Grant amount, as a % of the Loan, less final grant (maximum \$100K) 	First Loan and Grant <ul style="list-style-type: none"> Portion of the Principal Amount of the Loan Grant amount, as a % of the Loan, less final grant (maximum \$100K)
Final Grant: Remaining available Grant Amount (Triple Bottom Line Report)	Final Loan and Second Grant <ul style="list-style-type: none"> Remainder of the Principal Amount of the Loan Grant amount as a % of the Loan 	Second Loan and Grant <ul style="list-style-type: none"> Portion of the Principal Amount of the Loan Grant amount as a % of the Loan
	Final Grant: Remaining available Grant Amount (Triple Bottom Line Report)	Final Loan and Third Grant <ul style="list-style-type: none"> Remainder of the Principal Amount of the Loan Grant amount as a % of the Loan Final Grant: Remaining available Grant Amount (Triple Bottom Line Report)

¹⁷ **Note on Advanced Disbursements:** To be eligible for an advanced disbursement (up to 50% of loan and grant contribution), the following must apply: 1) all sources of funding confirmed; 2) Project delivery team in place.

Additional Information for Non-Municipal Applicants*

*Non-municipal applicants include non-profit organizations, co-operatives and municipal corporations.

Debt service coverage

For SAH new builds, FCM may fund up to 20% of eligible costs, and for SAH retrofits, FCM may fund up to 80% of costs (up to a maximum of \$10M total contribution). If CMHC or BC Housing are also funding the project, FCM's required debt coverage ratio (DCR) will follow the DCR of the other lenders. If FCM is the only lender of the initiative, the DCR must be a minimum 1.10.

Loan security

FCM places security on its loan funding only – grants are excluded.

- For most NEW BUILD projects in the SAH program, FCM is co-lending with a larger funder (e.g. CMHC). Typically, a second-ranking priority mortgage charge would apply on the immovable property, or properties
- For most RETROFIT projects, FCM may be the main lender on the project, in which case FCM would take a first-ranking priority mortgage charge on the immovable property, or properties
- A municipal guarantee¹⁸ will facilitate FCM's underwriting process
- A corporate guarantee¹⁹ may facilitate FCM's underwriting process, particularly if the borrower is limited in its ability to service FCM's loan
- A letter of credit, whether municipal or corporate, may facilitate FCM's underwriting process

¹⁸ Please consult with your member municipality on its ability and inclination to provide a municipal guarantee. FCM will require a legal opinion and a municipal council resolution to confirm any municipal guarantee. Please note that not all municipalities in Canada may have the ability to provide municipal guarantees.

¹⁹ For non-municipal applicants. Please note that the underwriting process will apply to the corporate guarantor, and the latter would be held to FCM's loan and grant agreement.