

REACHING HOME

TOOL TO ASSIST IN DEVELOPING A CAPITAL PROJECT

FOR PROJECT APPLICANTS

What is a capital project?

A capital project includes expenses related to the purchase of land or a building and the renovation, transformation, or construction of real property.

What must a capital project application include?

- ❖ the list of partners and sources of information included below)
- ❖ A definition of market requirements and the needs of targeted clients
- ❖ A description of how the project fulfills the organization's mandate and mission
- ❖ Information on the project's impact on the organization's current activities or services
- ❖ Identification of proposed and/or confirmed financial resources to implement the project
 - (Complete financial set-up)
- ❖ Identification and justification of the choice of a building or land
- ❖ Property's market valuation
- ❖ Confirmation that the project complies with city plans and zoning by-laws
 - (If not, please state the proposed steps and timelines to achieve compliance)
- ❖ Identification of the actions to be taken to ensure the community's acceptance of the project
- ❖ Description of the work and preliminary cost estimate
- ❖ A summary schedule of the project's execution
- ❖ A strategy for renting the building's units (i.e., a plan to recruit tenants, including an estimate of rental income)

The following information may be sought hereafter:

- ❖ Minimum of three bids or proposals for any purchase of goods or services of \$25,000 or more (including taxes)
- ❖ Offer to purchase (with a deadline of not less than 90 days and conditional upon approval of RH funding)
- ❖ Detailed schedule of activities/work
- ❖ Itemized budget breakdown
- ❖ Written confirmation of the financial contribution of other partners
- ❖ Plan for compensation/relocation of tenants
- ❖ Assurance that all environmental protection measures, standards, and rules relating to the project activity, established by competent authorities, are respected
- ❖ Evidence that required permits have been obtained

Administrative practices to be considered:

Your participation in a capital project will add more steps to the annual financial audit of your organization. It is important for the activity and management files to be completed, and in accordance with generally accepted auditing standards.



Below is a list of potential partners who can offer you technical expertise or contribute financially to the development or execution of your capital project. It should be noted that obtaining additional support from various partners would be an asset.

Natural Resources Canada

Natural Resources Canada provides information about energy conservation, energy efficiency and alternative fuels and plays a dynamic leadership role in helping Canadians save millions of dollars in energy costs while contributing to a healthier environment.

Web site ► <https://www.nrcan.gc.ca/energy/efficiency>

Canada Mortgage and Housing Corporation (CMHC)

This corporation is the federal government's housing arm. One of its objectives is to improve Canadians' living conditions by giving them access to a vast range of quality, affordable housing.

Web site ► <http://www.cmhc-schl.gc.ca>

Seed funding offers financial assistance to housing proponents who are in the early stages of developing an affordable housing project.

Web site ► <https://www.cmhc-schl.gc.ca/en/developing-and-renovating/funding-opportunities/seed-funding>

USEFUL LINK

The Housing Development Checklist is a useful tool that identifies the essential steps that will help groups and individuals get organized and guide them through the development process. A series of companion fact sheets provide tips and practical information on some of the important activities in the process.

Web site ► <https://www.cmhc-schl.gc.ca/en/developing-and-renovating/develop-new-affordable-housing/programs-and-information/development-checklist-for-affordable-housing>

Federation of Law Societies of Canada

Web site ► <https://flsc.ca/>

The Canadian Bar Association

Web site ► <http://www.cba.org/CBA/>

Search by province to find a legal expert ► <http://www.cba.org/For-The-Public/Find-A-Lawyer>

Links to Architectural Organizations

Web site ► <http://www.ncarb.org/>

