



	Program	PEI Home Renovation Programs (PEIHRP)
	Subject	Home Renovation Programs
Effective Date:	Authorized by:	
Revised Date:		

PURPOSE

1.1 To offer financial assistance to homeowners with modest income to complete essential renovations to their homes.

2.0 DEFINITIONS

2.1 **Combined annual income:** Net income as defined by line 236 of the Canada Revenue Agency (CRA) T1 General - Income Tax and Benefit Return and confirmed by CRA for all home owners and all home occupants excluding income for dependents.

2.2 **Dependent:** a child up to the age of 18, or a person between the age of 18 and 25, inclusive, who is enrolled full time in an education institution.

2.3 **Homeowner:** an individual or group of individuals in whose name a property is registered with the Taxation and Property Records Division of the PEI Department of Finance.

2.4 **Renovation Program (RP):** a program that provides a grant to complete major, essential renovations in one or more of the following areas: heating, electrical, structural, plumbing, and fire safety.

2.5 **Renovation Program for Persons with Disabilities (PWD):** a program that provides a grant to individuals with a permanent disability to renovate their home to accommodate their disability. Items must relate to the individual’s loss of ability, be permanently installed and improve or increase the physical safety of the home. Portable devices are not eligible.

2.6 **Maximum grant:** the maximum grant for which an applicant is eligible during the applicant’s lifetime. The maximum grant available for the Renovation Program is \$6,000. The maximum grant available for the Renovation Program for Persons with Disabilities is \$8,000.

- 2.7 **Principal residence:** a property, owned alone or jointly with other individuals, which serves as the primary dwelling of the applicant for at least six months, plus a day, during any calendar year including the period between November and March of each year. Only one location can be designated as an applicant's principal residence at any one time. Rental and seasonal properties are not considered to be principal residences.
- 2.8 **Life Interest:** a circumstance in which the applicant is not the legal registered owner of the property as per the Taxation and Property Records Division of the PEI Department of Finance, but does have a legal right to occupy and use the property for the applicant's lifetime at the property.

An applicant in a life interest circumstance may be deemed to be the owner or co-owner of the property for purposes of this program if:

- the property is owned by a family member(s);
- the registered owners of the property provides written confirmation of their inability to provide funds for, or towards, the cost of the renovation;
- the property is the applicant(s) the principal residence;
- the applicant provides satisfactory confirmation that the applicant is responsible for the payment of property expenses including, but not limited to, property taxes, heat, electricity, insurance, and general property maintenance;
- all other program criteria is met.

If the applicant is deemed to be the owner of the property in a life interest circumstance, the net income of all owners, even those who do not live in the property, will be included in the combined annual income calculation.

3.0 POLICY STATEMENT

Program Eligibility

- 3.1 Applicants must be Canadian citizens, or landed immigrants, and permanent residents of Prince Edward Island.
- 3.2 The combined annual income must be no greater than \$35,000.
- 3.3 Applicants must own or jointly own the principal residence or have a life interest in the principal residence.
- 3.4 Applicants must live in the principal residence.
- 3.5 The applicant must have owned the principal residence for three years prior to application to PEIHRP and continue to own the principal residence for a period of three years after receiving a grant for completed renovations.
- 3.6 The applicant's property must be valued at or below \$145,000 Non-Commercial, Residential as per Taxation and Property Records taxable value assessment.

- 3.7 Property tax payments must be no more than one year in arrears.
- 3.8 Applicants are eligible for a maximum grant for the cost of eligible home renovations. If the applicant has used less than the maximum grant, the applicant may reapply to receive up to the maximum grant amount.
- 3.9 Applicants are not eligible for a PEIHRP grant if they have already reached the maximum grant through previous applications to the PEIHRP.
- 3.10 Renovations must be made to the applicant's principal residence.
- 3.11 Any renovations performed prior to the date of approval are not eligible for a grant.
- 3.12 Applicants are not eligible for a Seniors Home Repair Program grant within two years of receipt of a PEIHRP grant.
- 3.13 In the event that any program criteria of the PEIHRP grant are not met, or that a false declaration is knowingly made in the application, the PEIHRP shall have the right to cancel the approval and recover any paid funds and additional costs.

Accessing the Program

- 3.14 Applications are available online at www.gov.pe.ca/housing, at all Access PEI locations, and at the PEIHRP office.
- 3.15 Applicants must complete the Application Form including the Property Tax Information Release Form, and submit them to any Access PEI location or the PEIHRP office with a copy of their current Canada Revenue Agency Notice of Assessment. Applicants may choose to complete the Canada Revenue Agency Statement of Consent instead of submitting a copy of their Notice of Assessment to allow their income to be electronically provided to PEIHRP. Failure to provide this income information will result in the application being denied.
- 3.16 If more than one person owns the home, all co-owners must sign the application and letters of consent to agree to the program criteria.
- 3.17 Upon receipt of an Application form, PEIHRP staff will contact applicants, if necessary, to obtain further information or documentation regarding the application and the planned home renovation. Failure to provide requested information will result in the application being denied.
- 3.18 After review of an Application Form and required supporting documentation, PEIHRP staff will notify eligible applicants to obtain two price quotes for each eligible renovation. Quotes must provide sufficient detail to clearly describe the work to be completed and to allow comparisons among quotes. Each renovation must be priced separately. Quotes must be submitted to the PEIHRP office within four weeks

of notification.

- 3.19 PEIHRP staff will review and assess the price quotes, clarifying any issues of concern. The lowest quote to complete the work will be approved. The applicant has the right to select a higher quote if it also meets the same minimum standard of acceptance to complete the work and will be responsible to pay the difference between the higher and lower quote. Any cost relating to completing the work beyond the specifications required by PEIHRP shall be the responsibility of the applicant.
- 3.20 PEIHRP staff may complete an inspection at the home to determine if planned home renovation meets program parameters.
- 3.21 PEIHRP staff will provide written confirmation to the applicant as to the approval or denial of the application. Where applications are denied, PEIHRP staff will provide the reason for denial.
- 3.22 An approved applicant is responsible to arrange for the home renovation to be completed and to ensure the home renovation meets the relevant building codes. The applicant is responsible to ensure that proper permits and inspections are completed.
- 3.23 PEIHRP is not responsible for the quality of the home renovation.
- 3.24 The applicant has 90 days from the date of the approval notification letter to complete the renovation and submit a completed Request for Payment form with the final invoice(s) for the completed renovation to the PEIHRP office. Extensions to project deadlines will only be considered in exceptional circumstances.
- 3.25 PEIHRP staff may inspect the applicant's renovation to ensure the approved renovation has been completed.
- 3.26 Payment to the applicant or, if the applicant so wishes, to the contractor, will be made after all requirements have been met.
- 3.27 Account service charges and finance charges are not eligible for reimbursement under this program.

Applicant as General Contractor

- 3.28 Applicants may choose to complete the approved renovations work themselves. The applicant is responsible for submitting a written detailed work plan. PEIHRP staff will review the work plan to determine if there are sufficient details to complete the renovation. The applicant must use a Work Plan form as an organizing tool and for documentation purposes to itemize all the items which will be eligible for funding. Any work legislated to be completed by a certified trades person (for example, plumbing or electrical) should be completed and authorized by that particular trades person. The PEIHRP grant cannot be used to cover wages for applicant labor.

4.0 PROCEDURE STATEMENT

New Applications

- 4.1 Upon receipt of an Application, PEIHRP staff records the application information in PEIHRP database.
- 4.2 PEIHRP staff reviews the database to determine if the applicant has previously accessed the program. If the applicant has previously accessed the program, PEIHRP staff determines if there is any eligibility remaining and records the available eligibility amount. If no eligibility is remaining, PEIHRP staff notifies the applicant in writing that the application is denied and the reason for denial.
- 4.3 PEIHRP staff reviews the combined annual income. If the combined annual income is greater than \$35,000, the applicant is notified in writing that the application is denied because of the combined annual income level.
- 4.4 PEIHRP staff reviews the ownership of the principal residence through the Geolinc system to confirm that the principal residence is registered, partially registered, or that there is a life interest registered in the applicant's name. If the principal residence is not registered or partially registered in the applicant's name, and if the applicant does not have a life interest in the principal residence, the applicant is notified in writing that the application is denied and the reason for denial.
- 4.5 PEIHRP staff submits the applicant's signed Property Tax Information Release Form to Taxation and Property Records to confirm if the applicant has property tax arrears greater than one year. If the applicant has property tax arrears greater than one year, the applicant is notified in writing that the application is denied and the reason for denial. Should the applicant make a payment to bring the property tax arrears to be no greater than one year in arrears, the application will be considered.

Persons with Disabilities

- 4.6 Applicants to the Renovation Program for Persons with Disabilities may be required to submit a Medical Verification form to confirm the applicants' disability and to describe how the requested renovation(s) will accommodate their disability. If the Medical Verification form is required but not submitted by the applicant, the application will be denied.

Dependents enrolled full time in an education institution

- 4.7 Dependents enrolled as full-time students at post-secondary institutions must provide written verification from the institution to confirm enrollment. The net income of dependents will be included in the combined annual income calculation in instances

where written verification is not provided.

Quotes and Approvals

- 4.8 If the applicant meets all of the eligibility requirements, PEIHRP staff notifies the applicant in writing that they are required to submit two price quotes for each eligible renovation to the PEIHRP office within four weeks of notification letter.
- 4.9 PEIHRP staff reviews the two price quotes and determines whether the renovation meets the program parameters and whether the price quotes are reasonable. PEIHRP staff may inspect the principal residence to make this determination. If the renovation requested does not meet the parameters of the program, PEIHRP staff notifies the applicant in writing that the application is denied and the reason for denial.
- 4.10 If the renovation requested meets all of the criteria for approval, PEIHRP staff notifies the applicant in writing of the grant amount approved. An approval letter and a Request for Payment form are sent to the applicant. The applicant is advised to complete the renovation and submit the Request for Payment form and invoice(s) for the renovation within 90 days of approval notification. The applicant must sign the Request for Payment form confirming that the invoice(s) submitted are for the renovation requested in the application form.
- 4.11 Applications will be processed based on lowest combined annual income.

Approved Applications

- 4.12 PEIHRP staff will review approved applications monthly to determine their completion status. If an application has been outstanding longer than the 90 days, PEIHRP staff will telephone the applicant to determine if the renovation has been completed. If a satisfactory reason is provided for the renovation not being completed, an extension may be granted. If it appears that the renovation cannot be completed, or has not been completed after the extension period, PEIHRP staff shall advise the applicant in writing that approval has been cancelled.

Request for Payment

- 4.13 Upon receipt of the completed Request for Payment form and final invoice(s) from the applicant, PEIHRP staff confirms that invoice(s) agree with the price quotes submitted and any variances are explained.
- 4.14 PEIHRP staff may complete an inspection of the renovation. PEIHRP staff will document the results of the inspection on the Inspection and Post Inspection Report form. No payments will be made if misuse of the program funds is identified.
- 4.15 PEIHRP staff completes the coding on the Inspection and Post Inspection Report form and submits it and copies of invoice(s) and Request for Payment form to the accounts payable clerk to issue payment to the applicant, or contractor as requested on the Request for Payment form.

4.16 PEIHRP staff updates the status of the application in the database and identifies the file as complete.

Continuing Ownership

4.17 Applicants are required to continue to own the property for three years after receiving the PEIHRP grant. Should ownership of this property change within three years of receiving the PEIHRP grant, the applicant shall immediately notify the PEIHRP and repay the portion of the grant prorated based on the number of months of ownership.

5.0 ATTACHMENTS

- Application form
- Brochure
- Medical Verification form
- Work Plan form
- Request for Payment form
- Inspection and Post Inspection Report form