

Secondary Suite Incentive Program (SSIP)

Program Overview

December 2023

Program Summary

- The Secondary Suite Incentive Program (SSIP) is a pilot program to increase the supply of affordable rental units in British Columbia through the construction of Accessory Dwelling Units (ADUs).
- The program will fund approximately 1,000 new affordable rental units per year over 3 years, totaling at least 3,000 new affordable rental units.
- To accomplish this, the Province will provide eligible homeowners with financial assistance in the form of a forgivable loan to construct new ADUs in their Principal Residence.
- The program is being delivered by BC Housing, and applications will open in April 2024.

Program Summary (Cont'd)

- Eligible homeowners are able to access a forgivable loan of 50% of the cost of creating the ADUs, up to \$40,000 after the construction of the new rental suite is completed.
- The loan will be registered on title.
 - The loan will be forgiven over 5 years when all program requirements are met consistently
- Applications will be taken on a first come, first serve basis until funding is exhausted

Program Overview: Eligibility

Are you eligible?

The following summarizes homeowner and property eligibility for this rebate.



Homeowners

- Registered owner(s) of the property
- Canadian citizens or permanent residents
- Live in the property as their primary home
- Combined gross annual income of homeowners on title of less than \$209,420 (in the previous tax year)



Properties

- Located within one of the 161 incorporated municipalities in British Columbia
- Have a BC Assessment value below the homeowner grant threshold (\$2.125 million in 2023)



Secondary Suite

- New legal self-contained unit with a kitchen and full bathroom (improvements to existing rental units are not eligible)
- Laneway homes/garden suites are eligible
- Received municipal building permits on or after April 1, 2023

Program Overview: Eligible Costs

- Eligible costs must be directly related to the construction of the new rental unit.
- Costs related to the betterment of an existing rental suite are not eligible
- Homeowners are responsible for costs exceeding the approved funding amount

What costs are eligible?

Costs to be covered by the rebate must be directly related to the creation of the new secondary suite and include:

- Architectural and design fees
- Structural modification
- Electrical work
- Fixtures
- Appliances (50% of actual cost to a maximum of \$2,500)
- Building and trade permit fees
- Costs to obtain certificates, drawings and specifications directly related to eligible scope of work
- Materials related to the approved construction
- Contractor labour (not including work done by Applicant or any member of the Household)
- PST and GST

The following costs are not eligible:

- Extensions, conversions, repair or replacement of items for the homeowners
- Labour costs for work completed by the homeowner
- Landscaping costs

Program Overview: Forgiveness Requirements

- The unit must be rented below market rate for the community as established by BC Housing
- The homeowner must continue to live in the home
- The rental unit must be rented for at least 10 months in a year under a tenancy agreement that complies with the RTA on a month to month or minimum 1-year fixed term
- The tenant must not be an immediate family member (spouse, child, parent or sibling) of the homeowner(s).

The forgivable loan will be forgiven 20% per year over 5 years when program requirements are met.

Program Overview: Application and Approval Process

1 Find out if you're eligible
Check eligibility online at bchousing.org/secondary-suite and review the detailed eligibility criteria

2 Plan your project and prepare to apply
Check with your municipality to confirm if zoning allows for a secondary suite on your property, arrange for contractors and financing, and apply for a building permit, as required

3 Gather documents and apply online
When applications open in April 2024, submit your online application through bchousing.org/secondary-suite
You will need documents demonstrating eligibility (proof of residence and income) and a municipal building permit

4 Receive approval and construct secondary suite
Once approval is received, complete construction of your secondary suite

5 Submit occupancy permit and proof of construction costs
Once construction is complete an occupancy permit will be issued by your municipality
Submit the occupancy permit and proof of construction costs to receive the loan

6 Rent out suite and maintain program requirements
Rent out your new secondary suite at an affordable market rent and the loan will be forgiven at 20% per year over five years when program requirements are met

Program Resources

For more information, visit BC Housing's Secondary Suite Incentive Program website:

[Secondary Suite Incentive Program | BC Housing](#)

Questions