



The Ministry of Housing & Urban Development and
The Trinidad & Tobago Housing Development Corporation

HOUSING

Construction Incentive Programme (HCIP)



INFORMATION BOOKLET



2018

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I. INSTRUCTIONS TO PARTICIPANTS

INSTRUCTIONS TO PARTICIPANTS

1.0 Introduction

The Ministry of Housing and Urban Development (“the MHUD”) and its agency, The Trinidad and Tobago Housing Development Corporation (“the HDC”) recognise that home ownership is a necessary tenet for economic growth and social stability. The MHUD, through the HDC is accordingly committed to bridging the gap between the supply and demand for affordable housing in Trinidad and Tobago by the use of a Housing Construction Incentive Programme.

Consistent with this commitment the MHUD, through the HDC, hereby initiates this Housing Construction Incentive Programme. The intent of this programme is to:

- i. Encourage private developers to construct houses to satisfy the current demand for affordable housing;
- ii. Stimulate the private construction sector
- iii. Provide a cash or land incentives to participants.

Any person, developer or contractor who wishes, and has demonstrated the ability, to finance, build and sell housing units in accordance with certain guidelines and at prices fixed by the HDC, is eligible to participate in the Housing Construction Incentive Programme (HCIP).

This booklet outlines the general facets of the HCIP and is not a comprehensive guide.

2.0 Application

Interested persons must purchase and complete the HCIP package which can be obtained at the offices of the HDC, 44-46 South Quay, Port-of-Spain.

3.0 Incentive

Under the HCIP a cash or land incentive is available to successful participants of the programme.

Cash Incentive

The cash incentives that will be available are as follows:

- i. For units to which the HDC ascribes a selling price of no more than **TT\$550,000.00 – Cash Incentive = TT\$75,000.00**; and
- ii. For the units to which the HDC ascribes a selling price above **TT\$550,000.00 but no more than TT\$750,000.00 – Cash Incentive = TT\$100,000.00.**

A cash incentive will be paid by the Government of Trinidad and Tobago to each successful participant of the HCIP upon the HDC's confirmation that:

- i. The required works have been completed in accordance with all specifications and agreements of the programme;
- ii. All defects (if any) have been suitably rectified;
- iii. The sale of units to specified applicants from the Ministry's HAF's database is completed
- iv. That the established handover process has been completed.

Details of the payment process are as follows:

- i. Upon satisfactory completion of the above, the MHUD will prepare a certificate confirming that the participant satisfied the HDC's conditions, completed the project and the sale of the housing unit(s) and is now entitled to receive the cash incentive;
- ii. The MHUD will provide the relevant details to the Ministry of Finance and request the release of funds to settle the liabilities due to the participant within three (3) months of the issue of the certificate;
- iii. Upon the receipt of the requested funds, payment will be issued to the participant.

INSTRUCTIONS TO PARTICIPANTS

Land Incentive

The Government will provide State Lands on terms and conditions to be agreed to those approved builders/developers without lands who wish to finance the construction of housing units in accordance with designs, specifications and prices fixed by the HDC/Government.

The state will identify suitable available lands, with or without infrastructure and will invite, through a tender process, persons or firms selected from the list of registered applicants on the HCIP database or from the HDC's list of pre-qualified contractors to submit proposals in accordance with the approved housing unit designs.

4.0 Submission of Registration Package

- All Submissions must be placed in a sealed brown envelope 10" x 15" labelled and detailed as outlined in the notice printed in the national daily newspapers.
- All Submissions must include a completed Registration Booklet, with all relevant supporting documents, where applicable, as stated in the registration booklet and Notice printed in the national daily newspapers.
- Applicants are responsible for all expenses associated with the preparation and submission of registration documents.
- The HDC shall not be responsible or liable for any costs incurred by applicants who submit Applications and supporting documents regardless of the outcome of the exercise.
- Applicants are required to collect Registration Packages at the HCIP Desk, Reception Lobby, Ground Floor, HDC Head Office, 44-46 South Quay, Port of Spain (excluding weekends and public holidays) between the hours of 8:15 a.m. to 3:45p.m. with receipt as proof of payment.
- Applicants are required to submit applications by hand between the hours of 8:15a.m. to 3:45p.m. in the box labelled **"Housing Construction Incentive Programme"** located on the first floor HDC head Office, 44-46 South Quay, Port of Spain (excluding weekends and public holidays).
- Applicants must follow all instructions as outlined in the registration booklet and the notice printed in the daily newspapers otherwise it can result in the submission being non-responsive and inclined to rejection.

INSTRUCTIONS TO PARTICIPANTS

5.0 Supporting Documents:

Where applicable applicants are required to provide the following supporting documents:

- A. Copy of Valid form of Identification
- B. Completed HCIP Registration Booklet duly signed by an authorized signatory.
- C. Certificate of Incorporation of the applicant.
- D. Certificate of Registration of the applicant.
- E. Valid VAT Clearance Certificate.
- F. Valid Income Tax Clearance Certificates.
- G. Valid NIS Compliance Certificate.
- H. Copy of the latest Annual Return not older than 31st December 2015.
- I. Copies of the company's certified or audited financial statements (TT\$) for the last three (3) years showing income, expenditure, profit and loss and balance sheets inclusive of notes to the financial statements.
- J. Police Certificate of character for all directors listed
- K. Police Certificate of character for all directors listed
- L. Outline Approval from Town and Country Planning Division

6.0 Site Visits

Site visits may be used to verify information provided by applicants in the Registration Booklet.

Should Applicants fail to cooperate with the HDC during these site visits the HDC reserves the right to reject their Registration Application.

INSTRUCTIONS TO PARTICIPANTS

7.0 Project Evaluation

Upon submission of proposals, an evaluation committee will review, assess and determine the suitability of the proposals based on the criteria determined within the HCIP. The Evaluation Committee will establish an interim shortlist of qualified applicants. The final list of qualified applicants in the respective categories will be established following evaluation and site visits.

Criteria for Evaluation

- Land Size
- Ownership/Title
- Statutory Approval
- Available Infrastructure
- Location
- Financing
- Construction Experience

8.0 Project Execution

The type of unit being built will be determined by the applicants' capability and capacity to construct as instructed. Successful applicants will be given building and technical specifications of units to be built.

Types of Housing Units to be built

Standard Designs

The HDC will provide standard housing unit designs for use in the HCIP. Builders/Developers can also submit alternative designs for consideration which comply with the specifications outlined in the building specifications below.

Pre-approved Detailed Design have been established for:

- Single Family Unit - 2 Bedroom
- Single Family Unit - 3 Bedroom
- Duplex (side by side) – (3 Bedrooms)
- Townhouses (3 Bedrooms)
- Four Apartment Building (2 Bedrooms)

Construction Process

Construction of housing units will be in accordance with established construction procedures, guidelines provided by the HDC and all other statutory requirements including and not limited to TCPD, EMA, RC, WASA, TTEC, FIRE and OSHA.

Statutory Approvals

The Government has established a Ministerial Committee known as "The Housing Task Force" to expedite the process of obtaining building approvals from all regulatory agencies, including the Town and Country Planning Division, the Drainage, Construction and Highways Divisions of the Ministry of Works and Transport, WASA, T&TEC, the fire Service, the Environmental Management Agency and the Regional and Municipal Corporations.

INSTRUCTIONS TO PARTICIPANTS

9.0 Process for Allocation of Housing Units

The genesis of the HCIP is to make available affordable housing units to the applicants on the Housing Application and Fulfillment System (HAFS) database.

Persons selected for allocation of housing units from the HAFS database will be required to meet all established qualifying criteria before being allocated a housing unit.

Allocation of a housing unit means that the person selected from the HAFS database will be matched with a housing unit being constructed in that person's preferred area and will be invited to begin the process to purchase the housing unit.

10.0 Process for the Sale/Purchase of Housing Units

Upon selection and allocation, successful purchasers will be required to enter into a Sale Agreement with the builder/developer if the housing unit is on private lands and Stakeholder Agreement between the Purchaser, Builder/Developer and the HDC if the housing unit is on state lands.

The purchaser will be required to make a deposit of up to 10% of the selling price of the housing unit upon signing the Sale Agreement. This deposit will be held in escrow by the developer if on private lands or the HDC if on state lands.

11.0 Quality Monitoring of the Construction of Housing Units

To ensure that quality housing units are constructed in accordance to specification, the HDC will make available its twenty-two (22) point quality monitoring programme to all successful purchasers and developers to the HCIP programme. The 22 point programme will be outlined in a following document to all successful purchasers and developers.

Building Specifications

Building specifications will be detailed in the procedures and guidelines booklet which includes the approved prototypes with detailed floor plans and a Compact Disc (CD) with technical specifications outlining all approved materials for construction.

Land Development Specifications

All lands to be developed must include the undermentioned civil works:

- Road
- Water and Wastewater
- Electricity
- Drainage

INSTRUCTIONS TO PARTICIPANTS

13.0 Project Financing

All project financing, either for projects on state owned lands or privately owned lands will be provided by the builders, developers or firms offering to build housing units under the HCIP. All finance charges are for the account of the builder, developer or firm. Documentation showing capability and financial capacity showing amount of capital for investment (cash or credit). Proof of source of funds in accordance with the Financial Intelligence Unit (FIU) regulations will be required for all project financing.

Mortgages

The purchaser will be required to obtain a mortgage for the property, unless funds to make full payment for the housing unit upon completion is readily available. Mortgages can be sought from and provided by any registered, recognised and reputable financial institution providing mortgage financing.

Payment for Construction of Housing Units

The payment to the builder, developer or firm providing financing for the construction of housing units in the HCIP will be in two parts for each housing unit. The first part is payment of a deposit from the purchaser to be held in escrow, of up to 10% of the selling price of the unit. The second payment will be paid from proceeds of the mortgage taken out by the purchaser upon satisfactory completion of the housing unit and the presentation of a completion certificate.

Insurances

It is the responsibility of the builder, developer or firm to provide all required insurances during the construction of housing units including but not limited to Workers' compensation, public liability, natural disaster, professional liability, motor vehicle and any necessary insurance coverage.

Guarantees

Neither the Government, the MHUD nor the HDC will give a guarantee for any financing provided for the programme.

Trader in Housing Tax Incentive

Builders, Developers, Firms participating in the HCIP can also benefit from the Trader in Housing Tax Incentive Programme.

Traders in Newly Constructed Dwelling Houses and Land Developers for the purpose of residential sale are eligible for this incentive "Exemption from Income Tax".

In accordance with the Income Tax Act Section 42 (2) (c) and Section 45C, "there shall be exempt from income tax the gains and profits derived from the initial sale of a residential house site, being part of a land development project".

For more information on the "Trader in Housing Tax Incentive" visit: hdc.gov.tt/tax-exemptions/

For Further Information on the HCIP: 612-7HDC (7432)

www.hdc.gov.tt/hcip

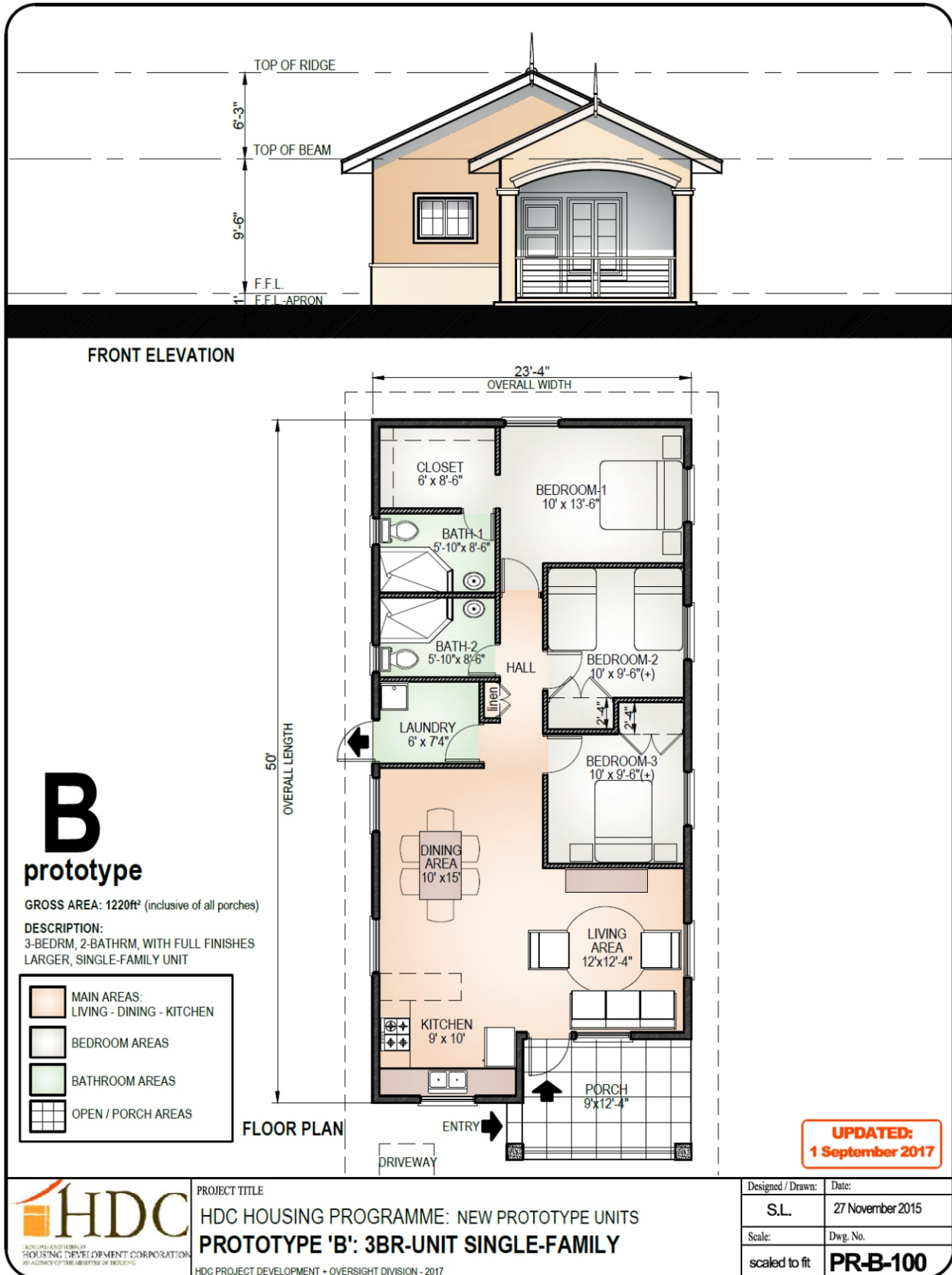
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II. APPROVED UNIT DRAWINGS AND FLOOR PLANS

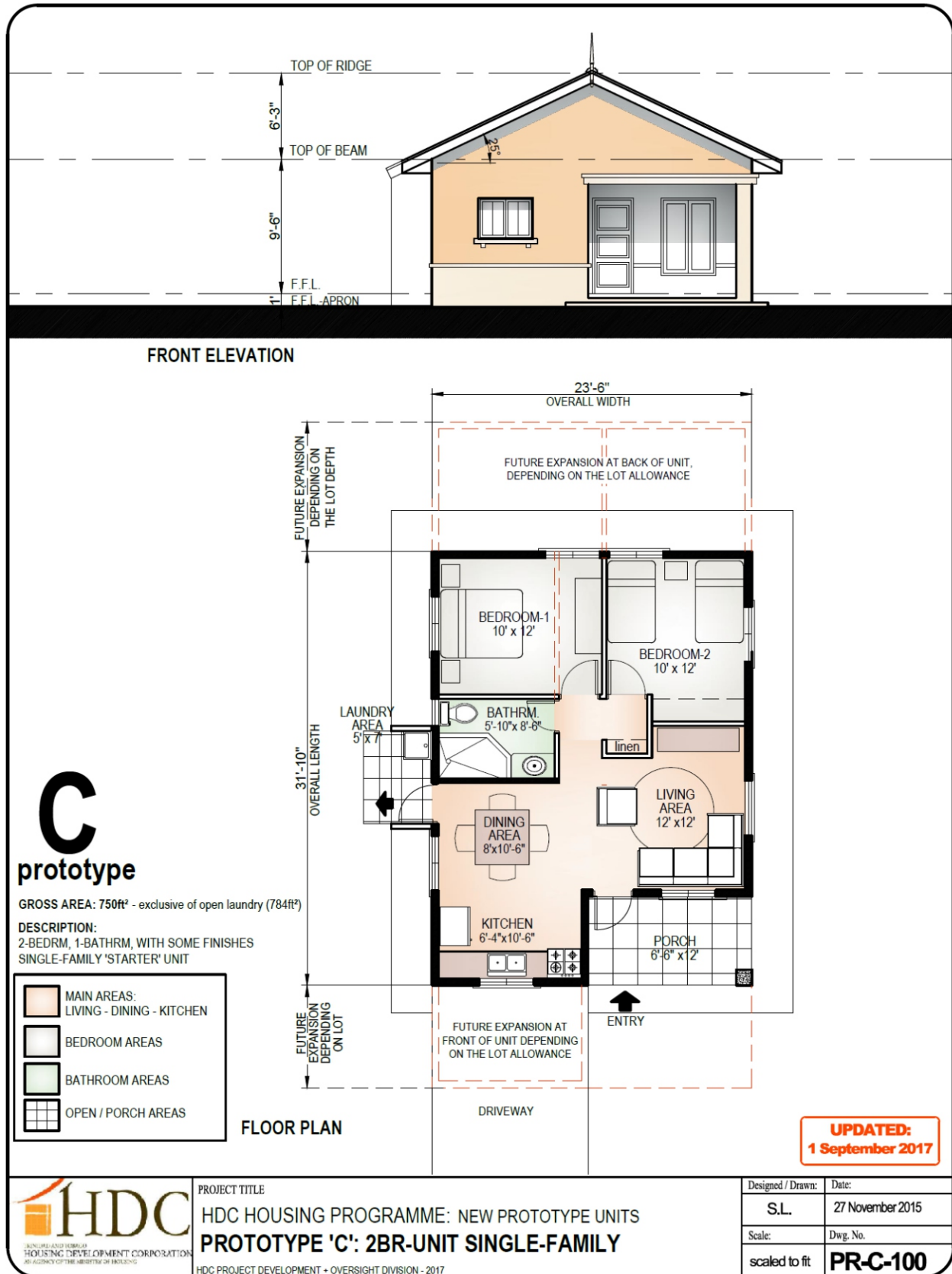
APPROVED UNIT DRAWINGS & FLOOR PLANS

1.0 Type B unit – 3-bedroom Single Family Unit 1220sqft



APPROVED UNIT DRAWINGS & FLOOR PLANS

2.0 Type C unit – 2-bedroom Single Family Starter Unit 750sqft



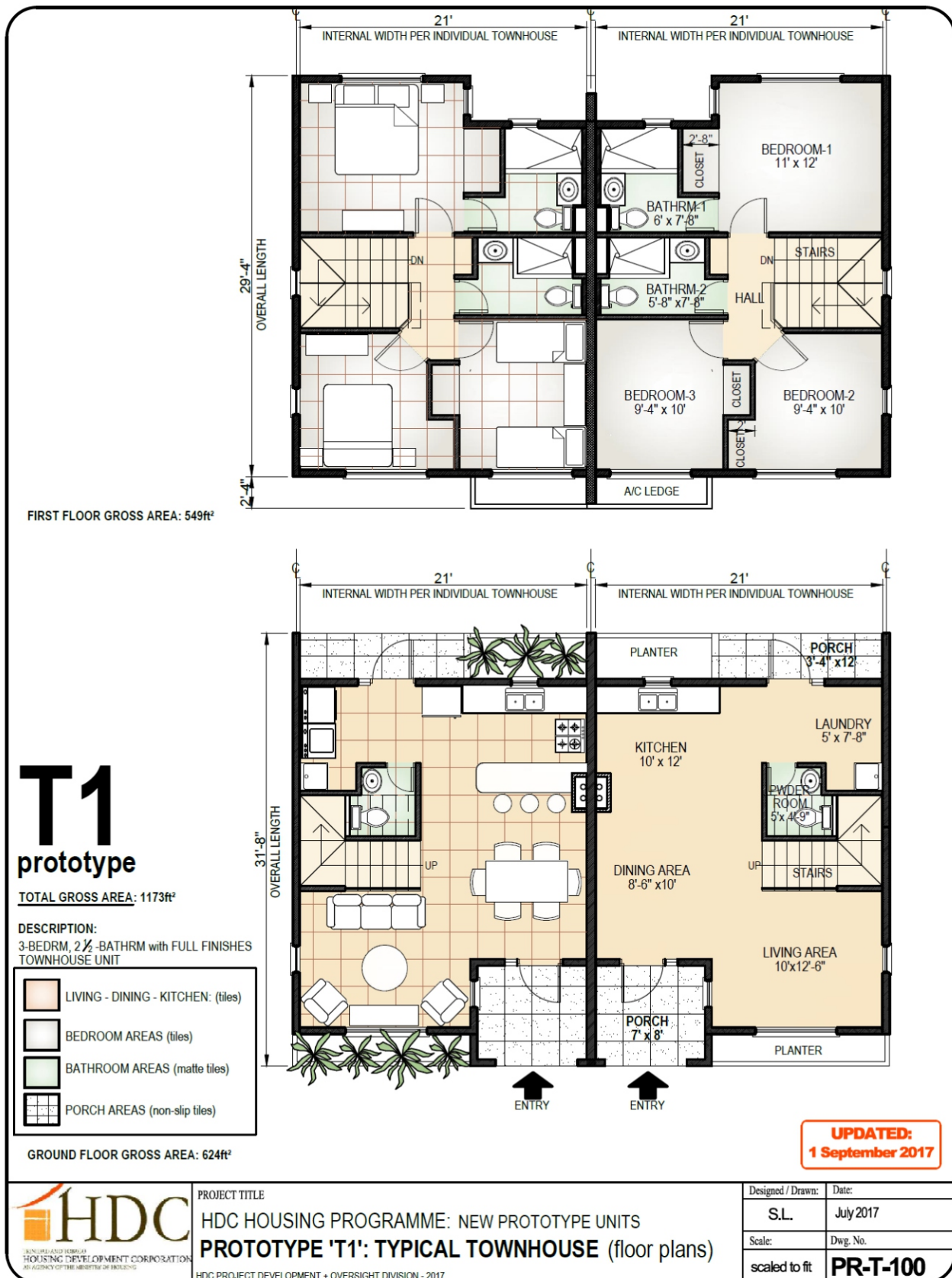
APPROVED UNIT DRAWINGS & FLOOR PLANS

3.0 Type T1 unit- Elevation – 3-bedroom Townhouse Unit 1173sqft (Shown as Duplex Units, Quadplex can also be built)



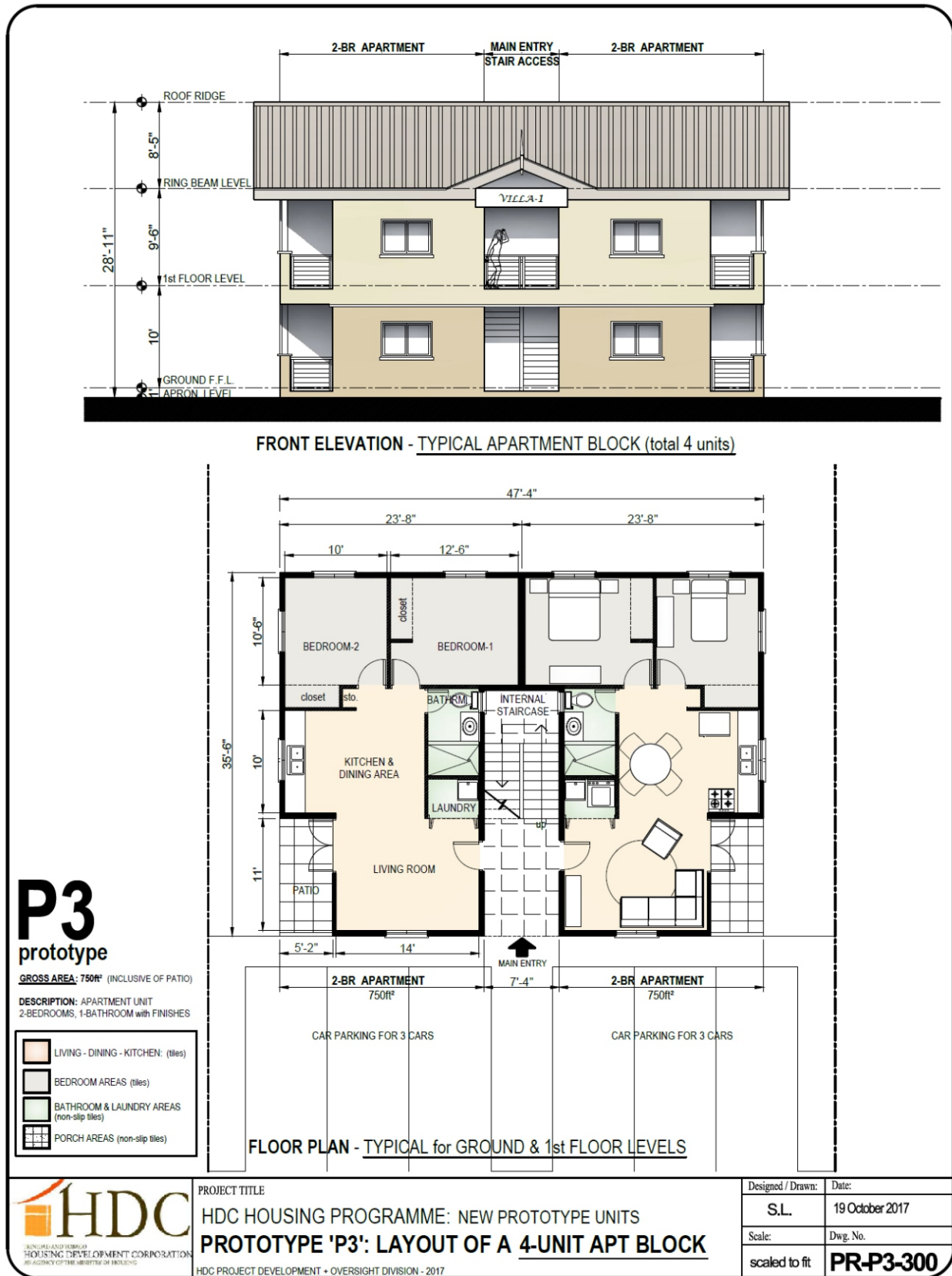
APPROVED UNIT DRAWINGS & FLOOR PLANS

4.0 Type T1 unit- Floor Plans – 3-bedroom Townhouse Unit 1173sqft (Shown as Duplex Units, Quadplex can also be built)



APPROVED UNIT DRAWINGS & FLOOR PLANS

5.0 Type P3 unit- 2-bedroom Apartment Unit 750sqft (Drawing shows 4 Units per Building)





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