



Ministerial Statement
by
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Minister of Public Works

Progress on Affordable Housing

Friday, May 31st, 2024

Mr. Speaker, it has been almost two (2) years since I stood in this Honourable House to announce the Rental Unit Renovation Programme under the Bermuda Housing Corporation and I rise today to provide yet another update on the progress to increase the Island's housing stock.

Mr. Speaker, this renovation scheme sees the refurbishment of 137 older housing units owned by the BHC at the sum of \$21 million dollars over three and a half fiscal years for the purpose of increasing the amount of affordable housing options for Bermudians. At the time, 60 of these units were occupied, while the remaining 77 were out of service and are being added as new units to the inventory. These 77 units comprise the entire vacant and derelict inventory of housing owned by the Bermuda Housing Corporation and are being renovated and put back in the housing stock.

Since the original announcement in October 2022, I have kept honourable colleagues and the listening public informed on the advancement of this pledge to improve the quality of life for all Bermudians made by this Government in its 2020 Election Manifesto. **Mr. Speaker**, I have provided updates on three separate occasions – December 2022, March, and September 2023 – all of which covered the status of the projects and again today I will do the same.

Mr. Speaker, as mentioned, the BHC are refurbishing 137 older housing units owned by the Corporation. That number has increased to 167 – 90 occupied and 77

vacant units. This increase is because of additional rented units needing renovation and being added to the list as tenants have vacated those units. As of today 62, units have been completed, 32 occupied and 30 vacant. The remaining 105 units are in various stages of progress – either work has started, plans are at the Planning Department or are with architects being designed.

Mr. Speaker as honourable members can tell, the Government through the BHC are making steady progress and we intend to see the completion of all 105 of these housing projects as quickly as possible.

We recognise that there is still much more work to be done in providing additional housing. This is why units under the Residential Housing Programme are not the only focus in expanding the affordable rental options for Bermudians.

Mr. Speaker, I would like to reflect on a few statements made during the original October 2022 Residential Housing Programme announcement.

Mr. Speaker, I quote:

“since January 2022, the BHC has been engaging in renovation works to several properties under its remit....through the Economic Stimulus Programme, a further thirteen (13) units are still under renovation in varying stages of completion – either awaiting planning approval from the Department of Planning or awaiting the conclusion of a procurement process.” End Quote.

Mr. Speaker, I am proud to say that these 13 units are now completed thus concluding all works to the identified units under the Economic Stimulus Programme. This programme saw a total of 17 units being either renovated or added to the stock as new units.

In that October 2022 statement, I also emphasised that and I again quote:

*“...**Mr. Speaker**, the next phases of this plan [to address affordable housing] will include...the expansion of the Private Sector Rental Programme. This programme allows for privately owned units to be rented to the Bermuda Housing Corporation – with guaranteed rent and intervention by the Corporation when tenants do not honour their commitment. The rates are less than market rates, but the rent is guaranteed to be paid on time and the unit returned to its original state at the conclusion of the tenancy...”* End Quote.

Mr. Speaker, to date the Project Team have identified 18 private units that have an estimate of up to \$100,000.00 to renovate. Having completed the revised leasing conditions for the Private Sector Refurbishment Programme along with the Promissory Note Conditions, the Project Team are meeting with Homeowners to discuss the requirements and providing a Quantity Surveyor estimate of costs.

Mr. Speaker, we soon expect successful agreements between the BHC and the Homeowner(s) to be made, thus allowing construction to begin. I encourage any homeowner listening to this statement or hearing it in the media to sign onto the BHC website at www.bhc.bm to gain full information, fill out the basic information form and arrange an appointment.

I would like now to move quickly from Rentals to Home Ownership **Mr. Speaker** for the purpose of reiterating this Government’s commitment to ensure that every Bermudian can own a “piece of the rock.”

In 2019, The Bermuda Housing Corporation Home Start Programme was launched and remains available to Bermudians who have never owned a home and are looking to obtain first time home ownership.

Mr. Speaker, this programme is a partnership between the Bermuda Housing Corporation and Clarien Bank and the details are as follows:

- Clarien provides up to 100% mortgages for homes listed in the programme.
- It is available to Bermudians only who are first time homeowners or those who have never owned more than a 25% share in any property.

- Homes listed in the programme are those that are either owned by BHC or by Clarien bank.
- The mortgages are fully funded by Clarien with BHC acting as the guarantor for the 25% down payment amount; and
- Once the down payment has been repaid - the bank releases BHC from the guarantee obligation.

Further Information on this can also be found on the BHC's website at www.bhc.bm/homestart.

Mr. Speaker since its launch, this programme has assisted thirty-four (34) Bermudian families in their quest to become first time homeowners. Presently, an additional four (4) families are in the final stages with the financial institution to conclude the purchase. This programme is proving incredibly popular and as I have said before, we are looking to expand the programme through other financial institutions.

Mr. Speaker, of course there is the Mortgage Guarantee Programme offered by Bermuda Commercial Bank that provides the lowest mortgage rates on island. More information can be found on their website at www.bcb.bm.

Mr. Speaker, this government is committed to our people. We will continue the work to increase adequate housing options for all Bermudians. I must stress that these are not all the options we are currently exploring – discussions on a number of other options to increase the housing stock are underway and will be reported publicly when those discussions conclude.

Mr. Speaker, I would like to publicly thank the Bermuda Housing Corporation Board, ably led by MP Chris Famous, Management and staff for the hard work they continue to do to further deliver on the BHC's mandate of providing affordable housing for Bermudians.

Thank you, **Mr. Speaker**.