

Town of Riverview

COUNCIL REPORT FORM



Presented to: Mayor & Council

Department: Economic Development

Date: July 8, 2024

Subject: : Housing Accelerator Fund Garden and In-Law Suite Development Grant

BACKGROUND

The Town of Riverview is working closely with the Canada Mortgage and Housing Corporation (CMHC) on an action plan as part of our Housing Accelerator Fund (HAF) agreement. As a reminder, the [HAF is a federal program administered by CMHC](#) that provides funding to local communities to deliver initiatives aiming to support more affordable and diverse housing development.

In alignment with the Town's agreement with CMHC, staff developed an action plan with the objective to increase the local housing supply and meet growth targets. Growth is measured by the number of new dwelling units created, with funding provided for completing the action plan initiatives, complying with the program's requirements, and meeting CMHC's set growth targets.

The Town's HAF action plan is comprised of 8 ambitious initiatives such as delivering a grant program incentivizing in-law and garden suites, implementing another development grant incentivizing affordable, barrier free units, and 3-bedroom units, revising the density capacity for multi-residential builds, upzoning residential areas identified through the Municipal Plan review process, streamlining the project approval process, delivering the affordable housing strategy informed by the housing needs assessment, developing a new community economic development strategy where housing is a prioritized, and decreasing parking requirements where appropriate in residential zones to also promote active and public transportation networks.

Following last week's exciting announcement of the Town's HAF agreement, Council has before them a draft of Riverview's very first Garden and In-Law Suite Development Grant. With the objective of increasing the supply of "missing middle" housing forms and support the development of affordable, inclusive, equitable and diverse communities, this initiative would provide homeowners the opportunity to access a one-time grant (terms and conditions will apply) for the creation of in-law apartment or garden suites. Successful applicants could receive \$15,000 for the creation of an accessory dwellings on properties already containing one (1) existing dwelling. The town is home to large-scale developers and homeowners alike, and this initiative would help create opportunities for average residents that have potential to create soft density in their neighbourhoods. While some of the other initiatives proposed through our HAF action plan target professional developers, we believe this initiative would include

typical residents in finding housing solutions and help align multiple town players towards the common goal of bettering housing conditions within our community.

Through our recent Housing Needs Assessment Study, we know 76.1% of Riverview residents own their residence, and thus this specific grant would be available to approximately three quarters of the population and engender the possibility for increasing the supply of housing units overall through households that otherwise may not consider, or be able to afford, taking on a smaller housing project on their property. Our elevated level of home ownership (that outpaces the provincial rate of 73%) makes this initiative especially opportunistic for Riverview. We have observed home ownership rates 7 to 20% lower than Riverview's in neighboring municipalities, and through this brand-new initiative, we would aim to play on this unique advantage of calling upon existing residents to contribute to creating more soft housing density. Furthermore, with our town's aging population and median age of 46.8, and the rise of trends such as inter-generational families residing together under the same roof, the demand is high for garden and in-law suites, allowing seniors to downsize and families to live together. The phenomenon of older residents moving to live with family members by the creation of new housing spaces could in turn liberate seniors' old residences, further making housing available on the market for new and existing residents, for example.

Thus, the objective of the Town's new Housing Accelerator Fund Garden and In-Law Suite Development Grant is to encourage the development of accessory dwellings, in allowable zones, on properties already containing one (1) existing dwelling. Development would have to occur within the duration of the Housing Accelerator Fund program (February 16, 2024 – February 16, 2027), and the additional dwelling unit(s) would be the result of new construction, renovation, re-use, or re-purposing of existing buildings or space. The full grant criteria are provided in the Council Meeting document attachment, however, below is a brief overview of some of the conditions included:

Additional dwelling units must be:

- Located within town boundaries
- Connected to municipal water and sanitary sewer services
- Tied to a lease with terms of at least one (1) year and cannot be used for short-term rentals
- Compliant with all provisions in [the Town's Zoning By-Law No. 300-7](#) and Municipal Plan
- Successful in passing a final inspection prior to grant payment

Applicants must:

- Be the owners of the land
- Be the lease holders for the additional dwelling unit
- Add one (1) new unit to their property
- Complete the additional dwelling unit within one (1) year of receiving building permit

Learning from similar grant programs delivered by other New Brunswick municipalities, staff have incorporated industry standards, criteria, best practices, and processes into Riverview's Housing Accelerator Fund Garden and In-Law Suite Development Grant, and feels it has the potential to engage residents in bettering housing conditions in their community.

CONSIDERATIONS

Legal:

- The Town's contracted and retained legal firm has conducted an initial review of the new grant policy and has provided suggestions and feedback which have been implemented in the documents presented at today's Council meeting.
- A final legal and internal review will be conducted, further to Council's review, to ensure optimal program structure, criteria, and considerations.

Financial:

- Funding for the HAF is contingent upon completing the action plan initiatives, complying with the program's requirements, and meeting growth targets.
- This Grant would be funded by the HAF program.
- This Grant budget is capped at \$180,000 (12 units), with the possibility to revise if/once fully allocated.
- Finance is engaged in establishing the right budget flow and payment cadence, considering existing budget schedules.

Stakeholders:

- Town Council; in advocating on behalf of the community's housing needs.
- Town Administration; in carrying out the HAF action plan initiatives.
- Resident Base; in receiving the benefits of future housing development initiatives engendering increases in the local housing stock.
- CMHC; in working inter-governmentally on better housing conditions in communities across the nation.

Strategic Plan:

Under the "Safe and Inclusive" pillar; the following objectives would be supported through this initiative:

- Trust is present in the community and all residents enjoy a good quality of life and sense of belonging.

Under the "Thriving Community" pillar, the following objectives would be supported through this initiative:

- Riverview is a desirable place to live, shop, visit and play.

Under the "Active and Engaged Community" pillar, the following objectives would be supported through this initiative:

- Healthy community.
- Engaged community.

Interdepartmental Consultation:

Inter-departmental consultations with top leadership at the Town, urban planning, communications, and finance have been ongoing throughout the development of initiatives that make up the Town's HAF action plan, as well as staff has been collaborating regularly to review initiatives with the experts at CMHC, considering input and ideas from inter-governmental entities, as well as our contracted regulatory firm.

Communication Plan:

Further communication of initiatives will become available as they are rolled out. The Town's Communications Department will be engaged in this exercise, and multi-channel campaigns to promote programs will ensue Council's approval of any and all HAF initiatives.

An internal grant review committee will be formed, comprised of staff members from top leadership, economic development, urban planning, and finance to review and evaluate individual applications. While Council is tasked with reviewing and approving the overall grant programs, it was determined individual applications should be assessed by an internal committee using an evaluation matrix to streamline and accelerate the review process to be better position the Town to successfully achieve ambitious housing creation targets set over the 3-year duration of the HAF program.

To prioritize transparent communication between staff and Council relating to grant progress and updates, a new bi-yearly report will be developed and presented at Committee of the Whole meetings to report on HAF initiatives, and more specifically on related grant applications and allocations. Clear reporting to Council will ensure awareness of program specifics and status of individual applications.

OPTIONS

- Move forward with the launch of a new Housing Accelerator Fund Garden and In-Law Suite Development Grant, pending final internal and legal review.
- Forego the launch of a new Housing Accelerator Fund Garden and In-Law Suite Development Grant and forfeit future HAF payments related to successful completion of action plan initiatives.

RECOMMENDATION FROM STAFF

Council approves the Town of Riverview launch a new Housing Accelerator Fund Garden and In-Law Suite Development Grant, pending final internal and legal review.

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