



SAINT JOHN

Title: HAF Grant Program Policy

Subject: Housing Accelerator Fund (HAF) Grant Program Policy	Category: Growth and Community Services	
Policy No.: GDS-016	M&C Report No.: 2024-322	
Effective Date: 2024-12-09	Next Review Date:	
Area(s) this policy applies to: Growth and Community Services	Office Responsible for review of this Policy: Community Planning and Housing, Growth and Community Services	
Related Instruments: M&C 2021-343 Urban Development Incentives Policy Amendment M&C No 2023-289 City of Saint John Housing Accelerator Fund 2024-2026 Action Plan	Policy Sponsors: Commissioner of Growth and Community Services	
	Document Pages: This document consists of 11 pages.	
Revision History:		
Date Created:	Common Council Approval	Contact: Growth and Community Services

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Housing Accelerator Fund Grant Program Policy

1. Policy Statement

1.1 The purpose of the Housing Accelerator Fund (HAF) Grant Program is to incentivize the creation of housing supply within fully serviced areas of the city in conjunction with the priorities and targets set out in the City's 2024-2026 HAF Action Plan.

Priorities

1. Support the development of complete communities that are walkable, consisting of appropriate residential density and a diverse mix of land uses, providing access to a wide variety of amenities and services through public and active transportation.
2. Support the development of affordable, inclusive, equitable and diverse communities that encourage clear pathways to achieving greater socio-economic inclusion largely achieved through the equitable provision of housing across the entire housing spectrum.
3. Support the development of low-carbon and climate-resilient communities.

Targets

- 1,124 new permitted units before the end of 2026
 - 15% Missing Middle Housing Forms
 - 71% Multi-Unit
 - 14% Other
 - 9% Affordable Housing Units

1.2 To this end, the Program includes four grant funding streams:

- a) Construction Challenges Grant
- b) Revitalizing Rental Stock Grant
- c) Accessory Dwelling Units Grant
- d) Missing Middle Housing Grant

1.3 The Grant Program aims to ensure fiscal responsibility and public transparency of all grant funding while balancing the constraints on how funding may be used.

1.4 Equitable distribution of grant funding to achieve the above goals will be considered. In addition, where an applicant submits more than one application for the same grant stream in a year, additional applications will only be considered subject to available funding.

2. Definitions

Accessory Dwelling Unit (ADU): Secondary, self-contained living unit located on the same lot as a primary residential building. ADUs are one of two subtypes. Both are subject in definition to the Building Code of Canada:

Affordable Homeownership Unit: means a newly constructed dwelling that is sold to an eligible household at a price such that the monthly housing cost (including mortgage payments, property taxes, and insurance) does not exceed 30% of the household's gross annual income, and where the home is delivered and administered by a qualified nonprofit housing provider through a shared-equity or resale-restricted model that maintains affordability over time.

Commissioner of Growth and Community Services: Commissioner of Growth and Community Services or his/her delegate.

Complete Communities: Communities that meet people's needs for daily living throughout an entire lifetime by providing convenient access to an appropriate mix of jobs, local services, a full range of housing, and community infrastructure including affordable housing, schools, recreation and open space for their residents. Convenient access to public transit and active transportation is also provided.

Construction Challenges: As defined at section 3.4 herein, or any other circumstances as approved, in writing, by the Commissioner of Growth and Community Services.

Developed land per unit: Refers to the amount of land that has been prepared and made ready for construction or use, divided by the number of units (such as houses or apartments) that will be built on it. Essentially, it measures the density of development in a given area.

Garden Suite: A self-contained living unit that is physically separate from the primary residence. This term also applies to suites added to secondary buildings on the property, for example a suite built over a detached garage.

Gross Floor Area (GFA): GFA means the total of all floor areas of a building or structure above and below grade measured between the exterior faces of the exterior walls of the building at each floor level, but does not include any area designed for parking.

Institutional/Commercial Use: Refers to land or property designated for non-residential purposes, including uses such as schools, hospitals, government buildings or retail stores, offices, and restaurants. These uses cover Commercial and Community Facility Uses in the City of Saint John Zoning By-law.

Intensification Areas: The areas within the Municipal Plan identified as the primary places for growth to proceed as shown on the City Structure Map, Schedule A.

Missing Middle Housing: Multi-unit housing characterized as missing middle refers to ground-oriented housing types that exist between single-detached and mid-rise apartments. This includes garden suites, secondary suites, duplexes, triplexes, fourplexes, row houses, courtyard housing, and low-rise apartments that are 3 stories or less.

Modular Housing: A type of prefabricated housing that is constructed in sections or modules in a factory setting and then transported to the site for assembly.

Primary Development Area: The area generally corresponding to that portion of the City served by municipal water, municipal sanitary sewer, and municipal storm sewer as defined by the Municipal Development Plan and shown on the Future Land Use Map, Schedule B.

Purpose-Built Rental: A residential building specifically designed, constructed, and funded to be rented out as long-term rental housing.

Secondary Suite: A self-contained living unit that is integrated in the primary residence.

Stacked Townhouse: A type of townhouse where individual units are stacked vertically rather than spread out horizontally. Each unit has its own separate entrance, but the buildings are multi-story, with units positioned above and below one another.

3. Construction Challenges Grant

3.1 Purpose

- To support new construction that might not be achieved through normal market forces by addressing known construction challenges, such as rock breaking, specific to Saint John.
- To incentivize developments, with particular emphasis on purpose-built rentals, located in areas where servicing capacity already exists and which have the potential to foster complete communities.

3.2 Grant Description

- a) The Construction Challenges Grant may provide up to 50% of the cost of eligible Construction Challenges to a maximum of \$10,000 per unit up to 15 units.

3.3 Eligibility

- a) The development must be located within the Primary Development Area in accordance with Schedule B of the Municipal Plan and connect to municipal water and sanitary services.
- b) The application must propose the creation of a minimum of 5 new residential units.
- c) The development must incur at least \$200,000 in eligible Construction Challenges in Part 3.4.
- d) The development must be a minimum of 2 stories in height.
- e) The development must comply with the Municipal Plan and Zoning By-law at the time of application.
- f) The applicant must be the registered owner, acting on behalf of the registered owner with written permission, or provide proof of an option agreement or purchase and sale agreement of the property.
- g) Construction Challenges must be evidenced by a professional invoice/quote, or a cost to construct budget approved by a professional architect, engineer, project accountant, or any other documentation requested by the City at the time of application.

3.4 Eligible Expenditures

- a) Eligible Construction Challenges include any of the following:
 - Breaking and removal of rock outcrops and importation of fill as part of necessary site preparation to emplace the building, site amenities, and/or services
 - Pile-driving
 - Remediation of contaminated soils
 - Costs associated with the remediation or demolition of a former Institutional/Commercial use that has been vacant for over one year.

4. Accessory Dwelling Unit Grant

4.1 Purpose

- To incentivize the construction of Accessory Dwelling Units (ADUs) to increase gentle density, expand rental housing options, and make efficient use of existing residential properties and infrastructure.
- To support the development of safe, fully code-compliant secondary and garden suite units that contribute to housing supply while maintaining neighborhood character.
- To encourage the gentle density intended in the adoption of the four-unit as of right zoning amendment.

4.2 Grant Description

- a) The Accessory Dwelling Unit Grant provides:
 - i. \$15 000.00 per Secondary Suite.
 - ii. \$25 000.00 per Garden Suite.
- b) The Grant applies to the creation of one new, fully legal ADU located on a property containing a permitted primary dwelling.
- c) The Grant is provided per unit and may be stacked with additional incentives under this program and other City of Saint John programs.
- d) This grant may be given for up to two (2) qualifying ADU's on the same property.
- e) Grant funding will only be released following confirmation that the unit has been completed in accordance with the issued building permit, and all final inspections have been successfully passed.

4.3 Eligibility

- a) The proposed Accessory Dwelling Unit (ADU) must be located within the Primary Development Area of the City of Saint John and be serviced by municipal water and sewer services.
- b) Applications must include an issued building and/or development permit for the Accessory Dwelling Unit. Grants may be applied for prior to issuance of a building permit, however they will not be awarded until permit issuance.
- c) The Accessory Dwelling Unit must be fully compliant with:
 - The Municipal Plan
 - The Saint John Zoning By-law
 - The Building Code of Canada
 - All other applicable municipal, provincial, and federal regulations
- d) The applicant must be the registered property owner at the time of application for this grant.
- e) The Grant applies only to the creation of new Accessory Dwelling Units and does not apply retroactively to units constructed prior to the approval of this program, unless otherwise authorized in writing by the Commissioner of Growth and Community Services.
- f) The Municipality reserves the right to require documentation demonstrating construction costs, permits, inspection approvals, and proof of compliance prior to releasing funds.

5. Missing Middle Housing Grant

5.1 Purpose

- To incentivize the construction of missing middle housing forms that are inherently sustainable and affordable. This is achieved through use of smaller lots, infill, and denser developments that make efficient use of land and existing built form.
- To support the development of dwellings built in efforts of affordable home ownership.

5.2 Grant Description

Stream 1:

- a) The Missing Middle Housing Grant provides \$5,000 per eligible unit.
- b) The total Grant provides no more than \$150,000 per application.

Stream 2:

- a) An Affordable Home Ownership Unit Grant provides an additional \$20 000.00 per eligible unit and may be stacked with other grants in this policy, including Stream 1 Missing Middle Grants.
- b) There is no maximum Grant per application, although grants will be limited based on available funds and discretion of the Commissioner of Growth and Community Services.

5.3 Eligibility

- a) The development must be located within the Primary Development Area in accordance with Schedule B of the Municipal Plan and connect to city water and sewer services.
- b) The development must comply with the Municipal Plan and Zoning By-law at the time of application and, if applicable, receive tentative subdivision plan approval.
- c) The applicant must be the registered owner, acting on behalf of the registered owner with written permission, or provide proof of an option agreement or purchase and sale agreement of the property.

Stream 1:

- a) The development must consist of one or more of the following uses, as defined by the Zoning By-law or this Policy:
 - Semi-detached Dwelling or Townhouse, with a maximum GFA of 111 m² or less per unit.
 - Dwelling, Cluster Townhouse, with a maximum GFA of 111 m² or less per unit.
 - Stacked Townhouse, with less than 175 m² of developed land per unit.
 - Multi-unit dwelling 3 stories or lower, up to a maximum of 18 units per building, with less than 100 m² of developed land per unit.
- b) The application must propose the creation of a minimum of 4 new residential units, unless otherwise authorized by written consent of the Commissioner of Growth and Community Services.

Stream 2:

- a) The Applicant must be a registered Non-Profit.
- b) The Applicant must have the expressed intention to develop units for the purposes of affordable home ownership.

6. Revitalizing Rental Stock Grant

6.1 Purpose

- To incentivize the revitalization of existing rental stock and retention of such stock at greater levels of affordability than would otherwise be contemplated.

6.2 Grant Description

- a) The Revitalizing Rental Stock grant provides \$10,000 per unit, in addition to 100% of the cost of building permit fees up to a maximum of \$50,000 per application.

6.3 Eligibility

- a) The redevelopment must be located within the Primary Development Area in accordance with Schedule B of the Municipal Plan and connect to city water and sewer services.
- b) The redevelopment meets one of the following sub-stream criteria:
 - i. **Rental Rehabilitation Assistance Program**
The redevelopment must provide proof of support of their application through Housing New Brunswick's Rental Rehabilitation Assistance Program (RRAP).
 - ii. **Vacant Building Redevelopment**
 - I. The applicant must be a registered non-profit organization;
 - II. The building must have been vacant for a minimum period of one year;
 - III. The applicant must receive written approval from the Commissioner of Growth and Community Services based on addendums to the application including targeted rents; and the information pertaining to the applicant's experience and track record; and,
 - IV. The redevelopment must propose the creation or addition of at least one net new residential unit to the building, as confirmed by Real Property information obtained through Service New Brunswick.
- c) The development must incur at least \$200,000 in eligible expenditures in Part 5.4.
- d) The project must be evidenced by a professional invoice/quote, or a cost to construct budget approved by a professional architect, engineer, or project accountant at the time of application.
- e) The development must comply with the Municipal Plan and Zoning By-law at the time of application.
- f) The applicant must be the registered owner, acting on behalf of the registered owner with written permission, or provide proof of an option agreement or purchase and sale agreement of the property.
- g) The Revitalizing Rental Stock Grant cannot be stacked with another Grant Stream within this Program.

6.4 Eligible Expenses

- a) Eligible expenditures are any soft costs related to building permit fees and any hard construction costs associated with the renovation of the building, excluding appliances and furnishings.

7. Grant Evaluation Criteria

7.1 Grant Committee

- a) Applications will be reviewed by a Grant Committee appointed by the Commissioner of Growth and Community Services.
- b) Funding will be committed in the order of the projects that score the highest number of points according to Part 6.2 in the form of a letter of conditional approval.
- c) Applications that receive conditional approval may be invited by the Committee to submit additional documentation to support their application, including financial statements of the organization, correspondence from other funding partners, and additional quotes or invoices.

7.2 Evaluation

- a) Grant applications will be received throughout the year and reviewed by the Grant Committee at quarterly intakes, or through a Grant Committee meeting scheduled at the discretion of the Commissioner of Growth and Community Services, based on volume of applications received.
- b) Grant intake may pause or cease to occur at the discretion of the Commissioner of Growth and Community Services, based on available HAF funds.
- c) Each application will be scored by the Grant Committee in accordance with the Score Card below and awarded in the order of the highest score per intake.
 - i. A minimum score of 55 points is required to receive approval for any HAF grant.
 - ii. A project will be disqualified if the applicant's timeline (2.a) is scored 0 by the Committee.

1. The Project - Alignment with the HAF Grant Program's Priorities and Targets	55
a) Project's contribution toward HAF housing targets (e.g. overall number of units proposed, subtargets).	15
b) Project's location and contribution towards complete communities (e.g. within 800 m or closer to an Intensification Area or adjacent to a Corridor as defined by the Municipal Plan).	15
c) Project incorporates a portion of affordable units (e.g. MLI Select or other CMHC program).	10
d) Project maximizes efficient use of land and existing city services (water, sewer, storm, street).	15
2. The Applicant's Timeline, Capability, and Need	35
a) The applicant's project timeline is achievable within the constraints of the HAF funding timeline.	5
b) The applicant demonstrates a track record of similar scale developments.	15
c) The applicant is in good standing with the City and demonstrates a need. The Committee will consider equitable distribution of grants if more than 1 grant application is submitted by the same applicant in 1 year.	15
3. Project Innovation - Energy Efficiency, Accessibility, Amenity Space, and Other	10
a) Project provides any of the following: mixed-use, meets or exceeds 2017 National Energy Code requirements or Provincial accessibility requirements (e.g. more than 1 barrier free unit per 4 units, universal design), or exceeds Zoning By-law amenity space requirements (e.g. Landscaping or shared community space).	5
b) Project employs other innovative practice to advance the commercial real estate/construction industry (e.g. sustainable building practices, climate resiliency, affordable housing initiatives).	5
Total	100

8. Application Requirements

- a) An application for a grant under this Policy shall include the following:
 - i. A completed application in the form as attached in Schedule A to this Policy;
 - ii. A site plan and/or drawings showing floor plans and building elevations;
 - iii. A project schedule indicating the following key milestones:
 - Project start date
 - Anticipated date of building permit or date that building permit was submitted and building permit number
 - Estimated date of completion of foundation or pre-drywall inspection
 - Estimated date of project completion;
 - iv. Legal names of the property owner and applicant. If an applicant is acting on behalf of the owner, property authorization from the owner of the property
 - v. Construction cost estimates; and,
 - vi. Evidenced Construction Challenges cost estimates, where applicable.
- b) The applicant must submit a complete building permit application within six months of the application, or a date alternatively determined by the Grant Committee, otherwise the grant will be withdrawn.
- c) An application will not be considered if work has commenced prior to the date of an application, with commencement defined as the pouring of foundation under the building permit for new construction and any work other than demolition under the building permit for an existing building.
- d) An application will not be considered where a building permit for the majority of the work (e.g. multi-phase development) has already been issued prior to the adoption by Common Council of this policy, unless approved explicitly in writing by the Commissioner of Growth and Community Services.

9. Disbursement of Grant Funds

- a) No grant funds will be disbursed to successful applicants until the following occurs:
- i. The Grant Committee has issued a conditional approval letter to the applicant confirming their decision.
 - ii. The successful applicant has entered into a Grant Agreement with the City.
 - iii. The successful applicant has been issued a building permit by the City. Substantial revisions to the building permit submission attached to the application form, including but not limited to the reduction in number of units, may void the application or require the application be resubmitted.
 - iv. The applicable project milestone(s) is completed as indicated:

Grant Stream	Required Milestone	Exception
Construction Challenge Grant	The development has received approval of the foundation inspection under the approved building permit.	Where the eligible construction challenge consists of the remediation of a former institutional/commercial use: 50% of grant funds will be disbursed at the successful completion of pre-drywall inspection under the approved building permit. The remaining 50% of grant funds will be disbursed once the development has been fully completed and issued a certificate of successful completion under the approved building permit.
Missing Middle Housing Grant	The development has received approval of the foundation inspection under the approved building permit.	Where the eligible use consists of an Accessory Dwelling Unit, the development has been deemed to be completed based upon a final inspection by the City.
Revitalizing Rental Stock Grant	50% of grant funds will be disbursed at the successful completion of pre-drywall inspection under the approved building permit. The remaining 50% of grant funds will be disbursed once the development has been fully completed and issued a certificate of successful completion under the approved building permit.	

Accessory Dwelling Unit	The development has received approval of the final inspection under the approved building permit.	
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- v. Notwithstanding project milestones identified in part iv., subject to the written consent of the Commissioner of Growth and Community Services, up to 70% of the grant may be disbursed upon issuance of the building permit for eligible Construction Challenge Grant and Missing Middle Housing Grant projects, with the remaining 30% disbursed upon approval of the foundation inspection under the approved building permit.
- vi. If a development does not reach the full issued building permit deadline by December 31, 2026 or all remaining required project milestones under this policy prior to April 30th, 2027, the City will withdraw the grant unless the applicant receives written approval from the Commissioner of Growth and Community Services.
- vii. The Commissioner of Growth and Community Services reserves the right to retract commitment of funds at any time, based on their exclusive judgment.

b) Any grant funding will be dependent upon the following:

- i. Number of applications received and availability of funding for HAF, and,
- ii. The city receiving federal funding for HAF. Despite approval of an application, planned disbursement of funds may be cancelled by the Commissioner of Growth and Community Services at any time based on availability of HAF funding.
- iii. The City will periodically confirm building permit progress. If no progress is demonstrated on the building permit within 6 months of the issuance of a building permit and the Commissioner of Growth and Community Services determines the project is at risk of incompleteness, the grant will be withdrawn.

10. Outcomes Report

- a) Funding recipients will be required to submit an outcomes report outlining how the funds were used in accordance with this Program. These reports will be made publicly available.
- b) The City reserves the right to request additional information or explanation of such reports.