

REPORT

Date Presented: April 20, 2021

To: Members of the Committee of the Whole

From: Bradley Wright, Director of Development Services

Subject: **Secondary Unit Grant Program – Amend Master Grant Policy**

For Information Only ☐ Delegation ☐ Presentation ☐ Attachment ☒

Recommendation:

AS RECOMMENDED BY THE COMMITTEE OF THE WHOLE, BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF PERTH PASS BY-LAW 4558-5 TO AMEND THE MASTER GRANT POLICY BY ADDING THE SECONDARY UNIT GRANT PROGRAM, AS PRESENTED IN STAFF REPORT 2021-COW-8.6.

Executive Summary:

A total of \$50,000 has been allocated to the 2021 Budget to facilitate a Secondary Unit Grant Program. Eligible homeowners would receive \$5,000 after completion of either:

- a) a newly constructed addition to an existing house as an additional dwelling; or
- b) a newly constructed accessory structure functioning as a second dwelling (tiny home/small home) on the property.

Strategic Plan Comments:

Sector #4 – Planning and Development, Strategic Initiatives (SI) #4: Develop land use policies which reflect the desired elements of a healthy vibrant sustainable community.

Greenhouse Gas Reduction Plan 2016 - 2030:

N/A

Overriding Principles Statement:

This report is in compliance with the Overriding Principles Statement.

Background/Discussion:

The intent of the Town of Perth Secondary Unit Grant Program is to encourage an increase in the supply of affordable housing options within the municipality. Over the past 25 years, housing costs have increased at a rate three times that of income growth, causing housing options within Perth to become unaffordable to a greater number of residents. The focus of this program is on single-family homes with lot sizes large enough to accommodate an addition to the house or an accessory structure in the rear yard. The Town of Perth has identified a number of properties in Town that are able to host additional dwelling units. The program would allow for the addition of one (1)

additional unit of housing as a secondary unit or a second dwelling as an accessory structure.

The increased use of secondary units in the Town of Perth offers the opportunity to gradually increase the overall supply of housing in the form of affordable rental properties. Secondary units reduce costs to homeowners, add more neighbourhood diversity, and more flexibility in housing options. For homeowners, constructing a secondary unit can provide rental income and provide further stability to their mortgage. For the community of Perth, secondary units will add needed density and vitality to existing neighbourhoods in a way that will not change the overall character.

Options:

Option 1: *Recommended:*

**PASS BY-LAW 4558-5 TO AMEND THE MASTER GRANT POLICY BY
ADDING THE SECONDARY UNIT GRANT PROGRAM, AS PRESENTED IN
STAFF REPORT 2021-COW-8.6.**

Option 2: Not Recommended: Status Quo. Do Nothing.

Financial Considerations:

There are no financial considerations at this time.

Applicable Policy/Legislation:

Planning Act

Town of Perth Official Plan

Heritage Act

Building Code Act

Others Consulted:

Directors

Respectfully submitted,



Bradley Wright, Director of Development Services

Approved by,



Michael Touw, CAO

THE CORPORATION OF THE TOWN OF PERTH

BY-LAW NO. 4558-5

A By-law to Amend Master Grant Policy By-law No. 4558 to add the Secondary Unit Grant Program

1. Recitals:

- 1.1 The Municipal Act, as amended, states that By-laws may be passed by Municipal Council to govern its affairs as it considers appropriate.
- 1.2 The Council of the Town of Perth adopted By-law No. 4558, a by-law to establish a Master Grant Policy, on December 15, 2015.
- 1.3 The Council of the Town of Perth has reviewed Report 2021-COW-8.6 and concurs with the staff recommendation to amend the Master Grant Policy to:
 - a) Add the Secondary Unit Grant Program
- 1.4 Council for The Corporation of the Town of Perth deems it advisable to pass this By-law.

Accordingly, the Council of The Corporation of the Town of Perth enacts as follows:

2. Authorization:

- 2.1 That Schedule "A" to By-law No. 4558 be amended to add the Secondary Unit Grant Program to the Master Grant Policy.

3. Effective Date:

- 3.1 This By-law shall come into force and effect on the date it is passed by Council.

Read a first, second and third time and finally passed this the ____ day of ____ 2021.

John Fenik, Mayor

Susan Beckel, Clerk

(Seal)

Town of Perth			
Master Grant Policy Secondary Unit Grant Policy		Effective:	April 27, 2021
		Replaces:	N/A
Issued by:	Director of Development Services	Approval:	By-law No. 4558-5
Applicable Policy and Legislation	Master Grant Policy		

To be a sustainable Community that respects both its Heritage and Natural Environment, while enabling a balanced lifestyle by means of a vibrant economy.

1. **PURPOSE**

To provide a grant program to eligible Town of Perth homeowners to facilitate the construction of additional dwelling units or additional dwellings. The more housing options available that target lower to midrange income levels, the greater the supply. Increasing the supply could lead to rent reductions, and greater opportunities to free up entry level rental units, making housing available for those at the lowest income levels and those at risk of homelessness. Access to safe, affordable and adequate housing promotes overall health and wellbeing, increases resident safety and creates a more liveable community.

2. **SCOPE**

The grant is available to all homeowners in the Town of Perth that meet the eligibility requirements.

3. **RESPONSIBILITY**

It is the responsibility of the Director of Development Services to administer the Secondary Unit Grant Policy.

4. **DEFINITIONS**

4.1. **“Additional dwelling”** means a newly constructed accessory structure that can be inhabited and meets the Ontario Building Code and the Town of Perth’s Zoning By-law provisions.

4.2. **“Additional dwelling unit”** means a newly constructed addition to an existing house that provides a separate entrance and meets the Ontario Building Code and the Town of Perth’s Zoning By-law provisions.

4.3. **“Council”** shall mean the individuals elected to sit on Town Council, the role of

which is to develop and evaluate the policies and programs of the municipality.

4.4. “**Director**” shall mean the Director of Development Services.

4.5. “**Town**” shall mean The Corporation of the Town of Perth.

5. WHO CAN APPLY?

Owners of residential properties identified as having the capacity to support a second dwelling unit or second dwelling. Owners of the property must reside on the property.

6. WHAT IS INELIGIBLE?

- Retrofitting basement or attic.
- Retrofitting existing garage or accessory structure.
- Retrofitting a partially completed additional dwelling unit or additional dwelling.
- New Construction intended to create short term accommodation units.
- New Construction and retrofitting to properties not occupied by the owner.
- New construction of second dwelling as second floor unit to existing or new garage.

7. FREQUENCY OF APPLICATION

A property owner may only receive one (1) grant per property.

8. APPLICATION PROCEDURES

- Applications must be submitted on the official application form;
- The applicant will be required to submit one invoice from a contractor;
- Construction must be completed within one (1) calendar year of the date of the approval of the grant. If the work is not completed within one (1) calendar year the grant will be cancelled.

9. FUNDING AVAILABILITY

It is the intent of this Secondary Unit Grant to allow up to \$50,000 in funds per calendar year, however the Grant is subject, at all times, to the availability of funding as determined by Council during the budget process each year. Funding approval will be based on the eligibility criterion.

10. BASIS OF CALCULATION

A maximum grant amount of \$5,000 will be allocated to each homeowner participating in the grant program. As the grant program is encouraging the new construction of additional dwelling units and additional dwellings, it is understood that \$5,000 only provides a small portion to the overall costs. Only one invoice is required to be provided to illustrate proof of construction activity.

11. REVIEW PROCESS

Applications for financial assistance will be reviewed by the Director of Development Services for completeness. The Director of Development Services, as per the Delegation of Powers By-law, will approve grants that clearly meet the eligibility of the Policy as outlined by the Council of the Town of Perth, and that all

Applications that request to deviate from the Policy be brought to Council for consideration. Funding approval will be based on the eligible criterion and available funding. This is an ongoing process throughout the year until all funds are exhausted. Note: Funding is conditional on the Applicant receiving building permits for the project.

12. RELEASE OF GRANT FUNDS AND POST-PROJECT REPORT

The Town will issue the fully approved grant amount after a satisfactory post inspection is completed by the Chief Building Official. An annual report will be provided to Council providing a summary of projects and total grant funding awarded during a calendar year.

13. SCHEDULE(S):

SCHEDULE 'A' - Secondary Unit Grant Application Form

14. SEVERABILITY

If a court or tribunal of competent jurisdiction declares any portion of this Policy to be illegal or unenforceable, that portion of this Policy will be considered to be severed from the balance of the Policy, which will continue to operate in full force.

15. REVIEW PERIOD

This policy shall be reviewed every two years.

**Town of Perth
Secondary Unit Grant Program – Application Form**

Registered Owner:	
Name:	
Address:	Postal Code:
Home Phone:	Work Phone:
Email Address:	Fax:

Property Description: (must be located in the Program Area)
Address:
Postal Code:

Project Invoice: Please provide one (1)

Estimate 1: (attach copy of original)	
Company name:	Phone:
Estimate (excluding HST): \$	

Eligible Grant Amount:	\$
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The Town of Perth Secondary Unit Grant Program will provide a grant to the applicant equal to \$5,000 for works related to constructing a new second dwelling unit or second dwelling. One (1) invoice from a qualified contractor must be obtained to determine the allowable funding.

Terms and Conditions

1. In order to be eligible for a Secondary Unit Grant an application form must be submitted to the Town prior to commencing any works.
2. Applications will initially be reviewed by Town staff with regard to planning approvals and/or building permits requirements.
3. Applicants will be advised in writing of any required approvals or permits associated with their application.
4. Eligible applicants must be the owner of the property and must reside on the property.
5. The property owner must have no outstanding tax arrears and must be in good standing with regard to taxation at the time of application and throughout the duration of the incentive benefit period as identified in the Master Grant policy.
6. Works associated with the Secondary Unit Grant Program must be in accordance with all Town policies, procedures, standards, and guidelines in order to be approved.
7. Existing and proposed uses must be in conformity with the policies and standards provided by the Town's Official Plan, Zoning By-law, Heritage Conservation District and all other planning documents.
8. Works associated with the Secondary Unit Grant Program must be undertaken pursuant to application for planning approval and/or building permit, and any additional required permits and in accordance to the Ontario Building Code and all applicable planning policies and standards.
9. Undertaken and completed works that are associated with a grant program application must be consistent with the project description contained in the application form and supporting materials, and with the program agreement. Should works not be consistent with the original project description, to the satisfaction of the Town, the Town may delay, reduce or cancel the grant.
10. Should the applicant fall into default of any of the eligibility requirements, or fail to meet the detailed requirements of each of the Grant program, or any requirements of the Town, the Town in its sole discretion may reduce, or cancel the agreement.
11. The Town may at any time discontinue the Secondary Unit Grant Program; however all approved projects will receive funding in accordance to the executed Grant Program Agreement and subject to available funding as approved by Council.
12. Any program commitments may be cancelled if work does not commence within six months of Council's approval of the application or in accordance with an agreement with the Town.

I/WE HEREBY CERTIFY that the information contained within this application is true, correct and complete in every respect and may be verified by the Town by such inquiry it deems appropriate, including inspection of the property for which the application is being made.

I/WE HEREBY AGREE that if any statements or information in this application or supported in support of this application are untrue, misleading or there is a material omission, the application may be rejected or not approved, or the grant may be delayed, reduced or cancelled.

I/WE HEREBY GRANT permission to the Town, or its agents, to inspect my/our property that is the subject of this application.

I/WE HEREBY AGREE all grants will be calculated and awarded at the sole discretion of the Town. Notwithstanding any representation by or on behalf of the Town, or any statement contained in the program, no right to any grant arises until it has been duly authorized, subject to the application meeting the terms and conditions of the program and the grant agreement. The Town is not responsible for any costs incurred by the Owner/Applicant in any way relating to the program, including, without limitation, costs incurred in anticipation of a grant.

Dated the _____ of _____, _____
Day Month Year

Name of Owner

Signature of Owner