

<b>STATEMENT of POLICY and PROCEDURE (SPP)</b>			
<b>POLICY</b>	<b>ACCESSORY DWELLING GRANT PROGRAM</b>	SPP No.	<b>3.05</b>
Section:	<b>Program Administration</b>	Issued:	August 1 2019
Issue to:	<b>All Manual Holders</b>	Effective:	August 1 2019
Motion/Date	MOTION 2019.064 August 1 2019	Page:	1 of 7

### **SPP 3.0 ACESORY DWELLING GRANT PROGRAM (ADGP)**

#### **1. PURPOSE**

- 1.1. The purpose of this Statement of Policy and Procedure is to set out policies and procedures for the administration of the Accessory Dwelling Grant Program (ADGP). The purpose of the ADGP is to assist market homeowners, whose land use area(s) allows for accessory dwellings to be constructed, to have access to grant funding to complete the same and thereby increase the supply of safe rental housing availability in the Town of Canmore.

#### **2. SCOPE**

- 2.1. This policy applies to the ADGP only. There will be \$100,000/year (January 1 - December 31) for each of 2020,2021,2022 available to the ADGP program.

#### **3. RESPONSIBILITY**

- 3.1. It is the responsibility of the Board of Directors to ensure that program administration policies, procedures and internal controls are in place as it deems necessary to provide assurance to its stakeholders that the program is being administered effectively to achieve the organization's objectives.
- 3.2. It is the responsibility of the Managing Director to develop, implement and manage program administration policies and procedures as are consistent with direction from the Board of Directors and necessary to ensure that the organization efficiently and effectively achieves the organization's objectives.
- 3.3. It is the responsibility of the Board of Directors and the Managing Director to ensure regular reviews of this Policy.

#### **4. DEFINITIONS**

- 4.1. **"Adult"** means an individual who is 18 years of age or older at the time of signing their residential tenancy agreement;
- 4.2. **"Approved Applicant(s)"** refers to applicants to the ADGP program who have received confirmation from CCHC that they are eligible and have been approved for funding through the ADGP program

<b>STATEMENT of POLICY and PROCEDURE (SPP)</b>			
<b>POLICY</b>	<b>ACCESSORY DWELLING GRANT PROGRAM</b>	SPP No.	<b>3.05</b>
Section:	<b>Program Administration</b>	Issued:	August 1 2019
Issue to:	<b>All Manual Holders</b>	Effective:	August 1 2019
Motion/Date	MOTION 2019.064 August 1 2019	Page:	2 of 7

- 4.3. **“Accessory Dwelling”** is a “Secondary suite” as defined in the Town of Canmore’s Land Use Bylaw Section 9.4.0.1 or a “Garden suite” as defined in section 9.5.01, or any amendments thereto approved by Council
- 4.4. **“Canmore”** means the Town of Canmore, including all lands located within the municipal boundary thereof;
- 4.5. **“CCHC Market Rate”** means CCHC’s posted annual market rental rate for a unit with similar configuration (having regard to the number of bedrooms and bathrooms) as may be updated on a yearly basis in accordance with the terms of the Grant Funding Agreement (GFA)
- 4.6. **“Employed”** includes, but is not restricted to, being on maternity leave or sick/disability leave from a permanent, seasonal, or contract position or having accepted a bona fide job offer in Canmore.
- 4.7. **“Encumbrance”** is as defined in the Land Titles Act of Alberta
- 4.8. **“Land Use Bylaw”** means the Town of Canmore Land Use Bylaw
- 4.9. **“Multiple Person Household”** refers to households of more than a single person who must occupy the PAH home as a primary residence. It includes lone parent and couple families, and two or more single persons who will be co-owners on title and occupy the PAH home as their primary residence.
- 4.10. **“Retiree”** means someone who has ceased active employment, is 65 years or older, and eligible for Old Age Security pension.
- 4.11. **“Self-employed”** means someone who owns and performs services for their own business, of which they are the primary or sole operator.
- 4.12. **“Single Person Household”** refers to a household of a single person who has no spouse or dependents, who will be the sole owner of the PAH home and occupy the PAH home as a primary residence.
- 4.13. **“Spouse”** means a husband or wife to whom an individual is legally married or is a common-law spouse as defined by the Canada Revenue Agency.

## 5. POLICY

### 5.1. GENERAL GUIDELINES

<b>STATEMENT of POLICY and PROCEDURE (SPP)</b>			
<b>POLICY</b>	<b>ACCESSORY DWELLING GRANT PROGRAM</b>	SPP No.	<b>3.05</b>
Section:	<b>Program Administration</b>	Issued:	August 1 2019
Issue to:	<b>All Manual Holders</b>	Effective:	August 1 2019
Motion/Date	MOTION 2019.064 August 1 2019	Page:	3 of 7

5.1.1. The primary purpose of the ADGP is to assist approved applicants to offset the costs of constructing new accessory dwellings or legalizing existing accessory dwellings.

## 5.2. ELIGIBILITY CRITERIA

This section of the Policy outlines the qualifications that rental tenants of the accessory dwelling must meet at signing of their residential tenancy for the accessory dwelling. A tenant household consists of any adult(s) on the residential tenancy, and their spouse.

5.2.1 Tenant(s) occupying the accessory dwelling must be one of the following at the time they sign their residential tenancy agreement:

- a) Employed in Canmore a minimum average of no less than twenty (20) hours per week for a licensed Canmore business or recognized equivalent; or
- b) a self-employed person with a Canmore business license, or recognized equivalent, and can demonstrate performing services for the business a minimum average of no less than twenty (20) hours a week; or
- c) A homemaker who is the spouse of an applicant who meets criteria a) or b);
- d) The spouse of a tenant who meets criteria a) or b), and is currently employed in the Bow Valley no less than twenty (20) hours per week;
- e) a retiree who currently lives in Canmore and meets one of the following conditions, and the spouse or caregiver of the retiree:
  - i. was employed working in Canmore a minimum average of no less than twenty (20) hours per week for a licensed Canmore business, or recognized equivalent, for at least three of the five years prior to ceasing that employment, or
  - ii. lived in Canmore as their primary residence a minimum of five (5) years within the ten (10) year period prior to applying;
- f) an individual who has a disability who currently lives in Canmore and meets one of the following conditions, and the spouse or caregiver of the individual:
  - i. was employed working in Canmore a minimum average of no less than twenty (20) hours per week for a licensed Canmore business, or recognized equivalent, for at least three years, prior to their disability, or
  - ii. lived in Canmore as their primary residence a minimum of five (5) years within the ten (10) year period prior to applying.
- g) A tenant who currently resides in Canmore and for whom Canmore was their primary residence for a minimum of five years within the ten- year period prior to applying and is Employed in the Bow Valley no less than twenty (20) hours per week;
- h) A Homemaker who is the spouse of an applicant who meets criteria g).

5.2.2 CCHC will attempt to provide the approved applicant with a CCHC approved tenant from its PAH rental waitlist should the approved applicant request the same;

<b>STATEMENT of POLICY and PROCEDURE (SPP)</b>			
<b>POLICY</b>	<b>ACCESSORY DWELLING GRANT PROGRAM</b>	SPP No.	<b>3.05</b>
Section:	<b>Program Administration</b>	Issued:	August 1 2019
Issue to:	<b>All Manual Holders</b>	Effective:	August 1 2019
Motion/Date	MOTION 2019.064 August 1 2019	Page:	4 of 7

5.2.3 Exceptions to the 5.2.1, 5.2.2, and 6.3.2 as it relates to unit vacancy and grant repayment requirements, may be considered at the sole discretion of CCHC

5.2.4 With the exception of CCHC's Managing Director, so long as the eligibility criteria are met, no one (including any elected official; municipal, provincial, or federal government employee; CCHC Board member or employee) will be ineligible by virtue of their job or volunteer position. As a function of Section 3.2, CCHC's Managing Director must receive approval from CCHC's Board to participate in the ADGP so as to ensure that no preferential application of the policy or conflict of interest exists.

### 5.3. LEGAL INSTRUMENTS

5.3.1. The approved applicant agrees that CCHC may register an encumbrance against Title acknowledging the conditions of the Grant Funding Agreement (GFA);

5.3.2. The Approved Applicant will be required to provide CCHC with an Annual Tenancy Declaration (ATD) confirming: their tenants met the Residency and Employment criteria when signing their tenancy agreement; a copy of the current tenancy agreement; the accessory dwelling is not being used as a hotel, Air BnB, VRBO or any short-term rental accommodation;

## 6. PROCEDURES

### 6.1. ADGP GUIDELINES

6.1.1. GRANT –CCHC will reimburse an approved applicant's development costs associated with the construction of the accessory dwelling, or improvement to an existing accessory dwelling where the LUB allows, up to:

- i. \$20,000 or 75% of approved development costs, whichever is lower;

6.1.2. The grant funding received can be used to construct a new municipally approved accessory dwelling or to make an existing accessory dwelling legal where the Land Use Bylaw (LUB) allows;

6.1.3. Accessory Dwellings to be developed, or improved to make legal where the LUB allows, must meet the conditions outlined in Section 9.4 (2019) or 9.5 (2019) of the Town of Canmore's LUB or any amendment thereto that Council approves;

6.1.4. The approved applicant must demonstrate, by Certified Copy of Title, that they are the legally registered owner of the property where the accessory dwelling is located;

<b>STATEMENT of POLICY and PROCEDURE (SPP)</b>			
<b>POLICY</b>	<b>ACCESSORY DWELLING GRANT PROGRAM</b>	SPP No.	<b>3.05</b>
Section:	<b>Program Administration</b>	Issued:	August 1 2019
Issue to:	<b>All Manual Holders</b>	Effective:	August 1 2019
Motion/Date	MOTION 2019.064 August 1 2019	Page:	5 of 7

- 6.1.5. No grant funding will be forwarded if the approved applicant is in arrears of their municipal taxes or utilities;
- 6.1.6. Grant funding can only be used for the construction of a municipally approved accessory dwelling, improvements to legalize an existing accessory dwelling where the LUB allows, and corresponding development or building permit fees;
- 6.1.7. The approved applicant must sign a Grant Funding Agreement (GFA) with CCHC prior to receiving any grant funding;
- 6.1.8. The approved applicant must provide CCHC, which CCHC must agree to, a budget to complete the work required prior to the execution of the GFA. It is to the sole discretion of CCHC whether to accept the proposed budget;
- 6.1.9. The approved applicant must demonstrate to CCHC they have the capacity to pay for their portion of the costs associated with the construction of the accessory dwelling, or improvement to an existing accessory dwelling where the LUB allows. It is to the sole discretion of CCHC whether to accept the proposed budget;
- 6.1.10. The grant funding and corresponding GFA are not assignable without written consent from CCHC;
- 6.1.11. The GFA will include a clause enabling CCHC to inspect the accessory dwelling at any time during the Term of the GFA within forty-eight (48) hours of written notification of the same;

## **6.2. FUNDING AVAILABILITY/WAITLIST MANAGEMENT**

- 6.2.1. Funding is available to approved applicants on a first come first served basis;
- 6.2.2. The cumulative maximum amount of ADGP funding available is as follows: 2020- \$100,000; 2021- \$100,000; 2022- \$100,000.
- 6.2.3. Should the funding limit for a given year (\$100,000) be allocated no new additional funding will be available;
- 6.2.4. Grant Funding to approved applicants will be made available in installments; no installments will be for more than twenty five percent (25%) of the cumulative approved grant funding amount without CCHC's Managing Director's (MD) approval; for further clarity, if \$20,000 in grant funding has been approved no installments shall exceed five thousand dollars (\$5,000) without the MD's approval;

<b>STATEMENT of POLICY and PROCEDURE (SPP)</b>			
<b>POLICY</b>	<b>ACCESSORY DWELLING GRANT PROGRAM</b>	SPP No.	<b>3.05</b>
Section:	<b>Program Administration</b>	Issued:	August 1 2019
Issue to:	<b>All Manual Holders</b>	Effective:	August 1 2019
Motion/Date	MOTION 2019.064 August 1 2019	Page:	6 of 7

- 6.2.5. The minimum installment, amount, subject to 6.2.6, will be two thousand five hundred (\$2,500) dollars unless approved by CCHC's MD. No installment payment shall be made if a builder lien has been registered against Title of the subject property;
- 6.2.6. With respect to all installments the approved applicant must demonstrate that they have paid a minimum of twenty five percent (25%) of the installment amount requested before CCHC will approve the requested funding;
- 6.2.7. CCHC will withhold the final three thousand dollars (\$3,000) of the approved grant funding amount pending receipt of an occupancy permit issued by the Town of Canmore. Payment of the final three thousand dollars (\$3,000) will be made within 14 days of receipt of the occupancy permit;
- 6.2.8. Failure to receive an occupancy permit from the Town of Canmore will require that all ADGP funds advanced to the approved applicant will be due and payable immediately upon written notification from CCHC;
- 6.2.9. Notwithstanding 6.2.6, CCHC will approve (in writing via email) installments requests within five (5) business days of the approved applicants request for funding, which must be accompanied with corresponding invoices, proof that payment of the invoices provided has been made has been made, and proof that the approved applicant has met condition 6.2.6; payment shall be made to the approved applicant within fourteen (14) days of CCHC's written approval (which can made via email);
- 6.2.10. As a condition of application, the applicant must first provide confirmation from the Town of Canmore's planning department that they can construct an accessory dwelling at their property;
- 6.2.11. Once an applicant(s) has been notified that they are approved and funds through the ADGP are available to them, they have twelve (12) months, or any further time as approved by CCHC's MD, to: have the Town of Canmore issue development and/or building permits; complete the development of the accessory dwelling or improvements to legalize an accessory dwelling where the LUB permits; and obtain an occupancy permit from the Town of Canmore, after which the ADGP funds will no longer be available to the applicant and will go back into the pool of available ADGP funds
- 6.2.12. Applicants will be prioritized on the ADGP Waitlist in the order in which they were approved. Approvals will be valid for a period not to exceed twelve (12) months. Applicants must maintain their eligibility to remain on the Waitlist. They will be contacted to confirm they continue to be eligible and wish to remain on the Waitlist, at a minimum, annually. Non-response will result in the applicant being removed from the Waitlist.

<b>STATEMENT of POLICY and PROCEDURE (SPP)</b>			
<b>POLICY</b>	<b>ACCESSORY DWELLING GRANT PROGRAM</b>	SPP No.	<b>3.05</b>
Section:	<b>Program Administration</b>	Issued:	August 1 2019
Issue to:	<b>All Manual Holders</b>	Effective:	August 1 2019
Motion/Date	MOTION 2019.064 August 1 2019	Page:	7 of 7

6.2.13. An applicant may request to be removed from the ADGP waitlist at any time.

### **6.3. ADGF TERM and CONDITIONS**

6.3.1. The term of the GFA is 10 years from the first day of the month after an occupancy permit for the accessory dwelling has been issued by the Town of Canmore;

6.3.2. During the term of the GFA: the approved applicant must rent the accessory dwelling at a minimum of ten percent (10%) below the CCHC Market Rate for a comparable unit in Canmore, CCHC uses the Town of Canmore's PAH design build guidelines as the benchmark for acceptable unit sizes for respective bedroom types. The accessory dwelling: must be rented at all times during the term of the GFA; if not rented the accessory dwelling must be available for rent and if requested by CCHC the approved applicant must demonstrate the same; if left vacant for six (6) consecutive months the grant funding received will be due and payable

6.3.3. If the property is sold during the term of the GFA the registered owner of the property must notify CCHC in writing no later than 30 working days prior to the closing date of the sale;

6.3.4. If the property is sold, the registered owner of the property must stipulate a vendor condition within their purchase and sale agreement (of the subject property) that the purchaser is bound by the terms and conditions of the GFA. If the purchaser does not consent to this vendor condition the registered owner must repay the entire grant funding amount received either immediately or from the proceeds of the sale of the property

### **7. REFERENCES and RELATED STATEMENTS of POLICY and PROCEDURE** *Freedom of Information and Protection of Privacy Act (FOIP)*

### **8. ATTACHMENTS**

None

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Chair

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Managing Director