

CMHC Housing Accelerator Fund: A Brief Overview of Lunenburg County Municipal Applications

Prepared by the South Shore Housing Action Coalition
March 2024



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*Improving Access to Healthy, Safe, and Affordable
Housing Options for All*

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About the Housing Accelerator Fund

Announced by the Canadian Mortgage and Housing Corporation (CMHC) in March 2023, the Housing Accelerator Fund (HAF) will provide incentive funding (contributions) to local governments to encourage local initiatives that remove barriers to housing supply, accelerate the growth of supply and support the development of complete, low-carbon and climate-resilient communities which are affordable, inclusive, equitable and diverse.

The HAF is expected to result in permits being issued for 100,000 more housing units across Canada. Local governments within Canada, including First Nations, Métis and Inuit governments who have delegated authority over land use planning and development approvals were eligible to apply to the HAF

There were two streams of funding within the HAF:

- **Large/Urban:** A jurisdiction located anywhere in Canada with a population¹ equal to or greater than 10,000, excluding those within a territory or an Indigenous community.
- **Small/Rural/North/Indigenous:** A jurisdiction located anywhere in Canada with a population¹ less than 10,000 or within one of the territories or an Indigenous community.

More information about the HAF is available here: <https://www.cmhc-schl.gc.ca/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/housing-accelerator-fund>.

Lunenburg County Municipalities HAF Applications

A brief overview of the applications submitted by municipal units in Lunenburg County is presented below. To date (March 2024) there have been no announcements of funding from the HAF applications submitted by local municipalities.

In total, HAF applications from Lunenburg County sought funding of nearly \$43 million dollars, which would represent a significant investment in our region, aimed at addressing housing related issues.

Municipality of the District of Lunenburg

Total Funding Request: \$29.9 million dollars

Details of the Municipality of the District of Lunenburg's HAF application were shared during the August 15th, 2024 Council meeting. The full staff report about the HAF application is available for review here:

https://www.modl.ca/index.php?option=com_docman&view=download&alias=8445-6-2-1-rfd-re-housing-accelerator-fund-application&category_slug=2023-08-15-special-council-meeting&Itemid=1160

MODL's application to HAF identified 8 initiatives which the funding would support, in addressing housing related issues in the municipality. These include:

- 1. Regional Building Services Initiative:** The main goal of this initiative is to address the challenge of attracting, recruiting, and retaining building and fire inspection resources. The lack of available inspection resources has been causing delays and barriers in the permitting system, which affects the timely approval of new housing developments.
- 2. Introduce an E-Permitting and Payment System:** The initiative aims to modernize the current development and permit application process by introducing an e-permitting/payment system. This will replace the existing manual system where developers submit payments and documentation in hard copy. The goal is to streamline the permit approval process, identify opportunities for efficiency gains, and reduce the timelines for processing and approving new developments.
- 3. Exit 12/Osprey Village Enhancement Plan and Implementation:** The main objective of the Exit 12 / Osprey Village Enhancement Plan is to create a vibrant and connected community by addressing housing needs, promoting equitable access to housing, and enhancing the area's design and infrastructure. The plan will focus on connecting the development area to the existing community through improved transportation and trails while also incorporating beautification and open space planning. It aims to prioritize the creation of a diverse range of housing types, particularly missing middle and affordable housing opportunities, to meet the area's key growth needs.
- 4. Regional Growth Strategy:** Availability of land and infrastructure represents a significant barrier to the development of new forms of housing, particularly missing middle, and affordable housing. The main goal of this initiative is to address the barrier posed by the availability of land and infrastructure for the development of new forms of housing, especially missing middle and affordable rental housing. The Municipality of the District of Lunenburg aims to develop a comprehensive Regional Growth Strategy that identifies and assesses suitable lands across MODL that can accommodate a diverse range of housing types, including purpose-built rental housing, affordable housing, and missing middle housing while prioritizing equity and climate goals.
- 5. Accessory Dwelling Unit (ADU) Incentive Program and Strategy:** Developing an ADU incentive program presents a key opportunity for MODL, amidst a limited supply and limited infrastructure, to increase housing units, particularly ones that are smaller studio, one- and two-bedroom units.
- 6. Affordable Housing Strategy:** Identifying land that is available and suitable for affordable housing can be a challenge in rural areas, and acquisition of land is a major barrier for non-profits and affordable housing service providers. This initiative will develop a strategy to guide opportunistic land acquisitions and dispositions that can support affordable housing,

prioritize properties conducive to development, and create incentives for affordable housing development.

7. **Acceleration of MODL 2040 Land Use Planning Regulations:** HAF funding support will allow for an acceleration of the ongoing MODL 2040 land use regulation project. MODL 2040, which was started in 2020, is a multi-year project aimed at bringing in modern, progressive and efficient land use regulations to the entire region.
8. **Developer Incentives Program:** MODL is committed to fostering community development and attracting investments through the implementation of a robust Developer Incentives Program. By offering an array of benefits and advantages, this program aims to entice developers to invest in the community.

Town of Bridgewater

Total Funding Request: \$4.5 million dollars

Details of the Town of Bridgewater's HAF application were shared during the August 14th, 2024 special Council meeting. The full staff report about the HAF application is available for review here:

<https://www.bridgewater.ca/town-council/about-town-council/council-agendas-and-minutes/council-agendas/2023-council-agendas/2648-august-8-2023-special-council-meeting-held-bridgewater-fire-hall-81-dominion-st/file> (see pages 24-56).

The Town of Bridgewater's application to HAF identified 6 initiatives which the funding would support, in addressing housing related issues in the Town. These include:

1. **Affordable Housing Incentive Program:** This initiative will create an incentive program for the development and long-term sustainability of affordable housing in the community. It will explore a range of actions, including waiving permitting fees and other charges, phasing in or waiving property taxes over time, and providing seed money for new affordable housing projects. In addition, it will stimulate the disposal of Town-owned land for housing and expand the current Energize Bridgewater Home Upgrades (EBHU) program to include multifamily housing, aimed at preserving the Town's existing stock of housing by stacking all available incentives, rebates, and low-interest financing to make homes more energy-efficient and climate-resilient.
2. **Understanding Infrastructure Constraints and Aligning Costs of Development:** Initiative 2 will focus on understanding the Town's current and future infrastructure capacity constraints, especially those related to sanitary and stormwater systems. It will explore how growth might be accommodated, and will create and implement clear, transparent infrastructure charges for ongoing growth and development beyond the HAF program. This initiative relates to an ongoing RFP issued on June 21, 2023 -the Infrastructure Constraints and Development Charges project -whose ultimate goal is to remove uncertainty and reduce the risk of developing both residential and commercial properties in Bridgewater.
3. **Regional Building Services and Enhanced Permitting Process:** Initiative 3 will provide an optimized building service environment within the Town and other Lunenburg County municipalities that will accelerate housing development approvals and inspections. Transition to a new regional service delivery model could optimize the shared building and fire inspections with neighbouring municipalities. The goal is to provide greater efficiency by leveraging technology to support the review of an application, reducing permit processing

times, and enhancing certainty in the approvals and building process. This initiative will also ensure continuity in the delivery of building inspection services by mitigating the impacts of building inspection staff shortages.

4. **Partnering with Non-Profit Organizations for Housing:** This initiative will explore how to provide specific support for non-profit partners' housing proposals and use this experience to develop a model and program for future partnership opportunities. The Town has recently started conversations with two non-profit organizations looking to build housing, including affordable units, in Bridgewater: South Shore Open Doors Association (SSODA) and the Housing Trust of Nova Scotia. The HAF funding is expected to help accelerate these building processes to increase the housing stock.
5. **Climate Resilience Policy and Program:** This initiative will focus on updating the Town's flood risk policy to guide development along the LaHave River and to develop and implement a targeted program to remove stormwater from the wastewater system and create capacity for new residential development. The intention is to pilot an incentive to encourage residential property owners to implement Low Impact Development (LID), an environmentally friendly approach to development that seeks to imitate the natural water cycle by effectively controlling the flow of rainwater at its origin. LID can reduce storm and sanitary flows to enable more housing developments.
6. **Updating planning Documents to Align with New Growth:** Initiative 6 will update several planning documents to address legislative requirements and reflect the evolving environment in the Town. It will include the revision of the Municipal Planning Strategy (MPS), Land Use By-law (LUB), and Subdivision By-law (SDB). The plan review will primarily look at growth over the next 10 years to 2034, until the following regular review, and provide high level guidance for the 2034-2044 period. Plan review will ensure that the documents and governing processes are streamlined and efficient, allowing more growth, increasing housing stock, and enhancing certainty in the approvals and building process.

Town of Lunenburg

Total Funding Request: \$3.12 million dollars

Details of the Town of Lunenburg's HAF application were shared during the August 8th, 2024 Council meeting. The full staff report about the HAF application is available for review here:

<https://townoflunenburg.ca/council-2023/council-agenda-packages-2023/1445-08-08-2023-council-agenda/file.html> (see pages 104-106).

The Town of Lunenburg's application to HAF identified 6 initiatives which the funding would support, in addressing housing related issues in the Town. These include:

1. **Additional Accessible Unit Incentives:** Refund municipal service hookup and subdivision fees when developers include accessible dwellings in their project above the number required under the Nova Scotia Building Code enabled by a new Additional Accessible Unit Policy.
2. **Affordable Housing Grant Program:** Allocate funds to support the development of affordable housing units through a new Lunenburg Affordable Housing Grant Program.
3. **New Housing in a Heritage Context:** Pass a new Old Town Lunenburg Heritage Conservation Plan and By-law with a policy to promote infill development, eliminate lengthy public

hearings and provide clear guidelines on the types and sizes of new developments permitted within Old Town Lunenburg Heritage Conservation District.

4. **Advancing Sustainable Housing Growth through Comprehensive Infrastructure Planning:** Integrate the housing targets from our Comprehensive Community Plan into our Asset Management Plan and create a Sustainable Infrastructure Grant Program.
5. **Accelerating Housing Growth through Tax Forgiveness:** Grant a three-year municipal tax break towards increasing affordable and accessible housing.
6. **Town-Owned Land Divestiture and Agreements for Housing:** Create Comprehensive Development Districts that outline the terms and conditions for developers to comply with affordable housing and other design requirements when developing formerly Town-owned residential lands.

Municipality of the District of Chester

Total Funding Request: \$1.9 million dollars

Details of the Municipality of the District of Chester's HAF application were shared during the August 3rd, 2024 Council meeting. The full staff report about the HAF application is available for review here: <https://portal.laserfiche.ca/Portal/DocView.aspx?id=1393764&repo=r-0001f4a08362> (see pages 17-23).

The Municipality of the District of Chester's application to HAF identified 8 initiatives which the funding would support, in addressing housing related issues in the municipality. These include:

1. **A comprehensive review of the Subdivision By-Law, Sewer By-Law, Municipal Specifications** to reduce the burden on developers where possible and speed up approvals, provide updates, ensure consistency among regulatory frameworks, incentives for affordable housing, climate adaptation lens, infrastructure requirements, etc.
2. **A strategy for enabling high density development without rezoning**, including promoting missing middle' housing forms.
3. **A plan for identifying, servicing, promoting development-** ready municipally owned land for affordable housing projects as-of-right.
4. **Development and implementation of a new centralized, streamlined e-permitting system** for all MODC permits.
5. **Hiring a consultant to lead an engagement campaign with developers** to generate leads, sales, insight into what generates developers' investment decisions.
6. **Development of a housing infrastructure plan** that draws on the growth plan, wastewater strategy, and sustainability strategy in order to identify and map catchment areas, potential new wastewater treatment sites, service boundaries, sites we can comfortably service with wastewater and water, watersheds, flood risks, etc.
7. **A strategy and actions to reduce the adverse impact of short-term rentals** on housing stock.
8. **Recruitment and training of a new building inspector.** This project has already been initiated. CMHC has indicated that they may be willing to consider initiatives that started after the 2022 federal budget (April 7, 2022). This would be a recovery of costs already incurred (i.e.hiring of recruitment firm and advertising costs) as well as future costs

Town of Mahone Bay

Total Funding Request: \$3.5 million dollars

Details of the Town of Mahone Bay's HAF application were shared during the August 11th, 2024 Council meeting. The full staff report about the HAF application is available for review here:

https://www.townofmahonebay.ca/uploads/1/3/0/6/130665195/2023-08-11_meeting_package_staff_report_re_housing_action_plan_with_appendices.pdf

The Town of Mahone Bay's application to HAF identified 8 initiatives which the funding would support, in addressing housing related issues in the Town. These include:

- 1. Creation and delivery of an Asset Management and Infrastructure Plan** for the Town of Mahone Bay with attention to stimulating housing development. This initiative would have some attention focused on infrastructure. The 2021-2025 Town of Mahone Bay Strategic Plan identified infrastructure, particularly water and wastewater infrastructure, as a key indicator of success around Town mission and values. Furthermore, an Asset Management and Infrastructure plan would contribute to the goals around climate and energy action highlighted by both the HAF and Mahone Bay Strategic Plans. The goal of this plan would be to have a long-term vision with tangible steps to accomplish to manage and update current town infrastructure with the goal of increasing the housing stock for a growing population.
- 2. Partnering with and supporting non-profit housing organizations and providers** to increase the stock of affordable and supported housing. This Initiative would see the Town of Mahone Bay partner with local non-profits housing organizations and providers to create relationships to make change to affordable housing in Mahone Bay. It is important to partner with these organizations to leverage their expertise and to support them financially to have that expertise work for the residents of Mahone Bay.
- 3. Creation and delivery of an affordable housing strategy** in Mahone Bay. This plan is closely related to proposed initiative 2. Though partnering with and supporting local non-profit housing organizations is an important step, it is also important for the Town of Mahone Bay to have its own plans, goals, and actions to compound the impact of partnering with organizations. This plan would have a long-term focus on affordable housing, building on the draft action plan.
- 4. Review and Improvement of Building and Development Processes** in Mahone Bay. One area that this review would emphasize is whether Mahone Bay is most effectively encouraging construction during the building and development process, particularly around permitting, inspection, fees, etc.
- 5. Creation and Delivery of Programs that Discourage Idle Land and Space:** The development of inventive and disincentive programs for the promotion of long-term rentals, development of empty or idle lands, creation of multi-unit dwellings in large houses, could increase the housing stock.