



POLICY: Multi-Family Housing Incentive Program

SECTION: Development Services

POLICY #: DEV-013

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Planner

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EFFECTIVE DATE: March 23, 2021

AUTHORIZED:

Gladys Atrill
Mayor

Alan L. Harris
Chief Administrative Officer

1. PURPOSE:

The Northern Development Initiative Trust (NDIT)'s Northern Housing Incentive Program enables local governments to create a "Dollars to the Door" Program, up to \$10,000 per unit, to enhance and support community economic development by incentivizing new multi-family developments undertaken by private sector developers in northern communities. This policy establishes procedures that the Town will follow in accepting, reviewing and processing applications submitted under the subject program.

2. OBJECTIVE:

Objectives of this policy are to:

- i. Establish a transparent and comprehensive review process to evaluate applications received under the subject program;
- ii. Achieve maximum community benefits from the prospective projects by setting project assessment criteria that uphold community economic development and sustainability; and
- iii. Encourage market-based multi-family housing developments that respond to the unique rental housing needs in Smithers.

3. ELIGIBILITY CRITERIA:

Applications submitted under this program shall meet the following criteria:

- i. Create a minimum of four market-based multi-family self-contained dwelling units in a new development or by converting an existing non-residential building;

- ii. Location outside the 'Downtown Revitalization Tax Exemption Area' identified in "Attachment 1" of this policy;
- iii. Developments must address one or more specific housing needs:
 - (a) market rental housing; (b) entry-level home ownership; (c) senior housing;
 - (d) small-family housing; and (e) housing for families;
- iv. Compliance of the proposed development with all the relevant Official Community Plan and zoning bylaw requirements and should be 'shovel ready' upon funding approval;
- v. Aim to complete the proposed project within two years from the date of Building Permit issuance unless otherwise extended by the maximum of one year by the General Manager, Integrated Growth and Infrastructure;
- vi. The Applicant must be the registered owner of the property; and
- vii. All the newly created units must meet the BC Energy STEP Code 2 or above as per BC Building Code.

4. INELIGIBLE PROJECTS:

The following projects will not be eligible to submit a funding application under this program:

- i. Renovation of existing market-based multi-family dwelling units;
- ii. Projects consisting of detached dwelling units or mobile structures;
- iii. Projects where rent or sale value of the applicable units is subsidized by any government entity, a non-profit organization, or a cooperative; and
- iv. Projects where construction starting prior to receiving formal approval notification from NDIT.

5. APPLICATION FEE:

Applicants submitting proposals under the program must pay a one-time processing fee of \$400 to the Town of Smithers. The above fee shall not cover any other fees/charges that an Applicant is required to pay as part of a proposed project.

6. MAXIMUM FUNDING:

Project funding available for a newly created dwelling unit in a multi-family market housing project is limited to \$10,000, to a maximum of twenty (20) units per project. At a given time, the maximum funds that can be approved towards one or more eligible projects in the Town will be limited to \$200,000. The Town shall reapply to the program once the approved funds have been reimbursed or decommitted.

7. APPLICATION TIMELINE:

Subject to the availability of NDIT funds and complete disbursement/decommitment of funds previously approved under the program, the Town will receive complete applications to this program on a quarterly basis, on the first of September, December, March, and June. Applications received within a month of any quarterly application deadline established by NDIT for the program shall be bumped to the application queue for the subsequent term.

Staff shall create and maintain a new webpage for the "Dollars to the Door" Program, providing information on the application submission requirements and deadlines. Once NDIIT approves grant funding for a project(s), no new applications shall be invited/accepted until the approved funds have been fully disbursed or decommitted.

8. ASSESSMENT CRITERIA:

Once a complete application is received, the following evaluation criteria will be used to assess its desirability in the local context.

No:	Criteria	Desirability Score
1	Percentage of units that support: (a) market rental housing; (b) entry-level home ownership; (c) senior housing; (d) small-family housing; and (e) housing for families	Min 1 unit or 25% and below of all units, whichever is higher
		25% - 50% of all units
		50% & above of all units
2	Percentage of local suppliers/trades	25% and below
		25% - 50%
		50% and above
3	Commitment to achieve BC Energy STEP Code requirements	STEP Level 2
		STEP Level 3 and above
4	Supports environmentally responsible and/or accessible building and infrastructure design (that are not included in 3)	10
5	Sustainable land use (i.e., proposed dwelling unit density does not fall below 25% of the maximum density limit)	10
	Total Project Score	100

The Town will support an application received under the program only if its cumulative desirability score is 50 and above.

9. APPLICATION AND FUND DISBURSEMENT PROCESS:

The Town shall follow the following procedure in accepting and evaluating applications received under the program and in disbursing the approved funds:

- i. Complete the Application Form attached as "Attachment 2" of this Policy and submit it with the Building Permit Application for the project;
- ii. Development Services Staff will review and assess the submitted applications;
- iii. Eligible applications will be placed in a queue on a first-come first-serve basis;
- iv. Projects that do not meet the evaluation criteria will not be placed in the queue;

- v. Construction must not start prior to the approval of project funding, else would be disqualified;
- vi. The Applicant will be required to complete the project within two years of the grant approval date; and
- vii. NDIT grant disbursed to the Town upon the approval of the project reporting requirements shall be paid by the Town to the Applicant.

10. ROLE OF THE TOWN:

Once an application is submitted, the Town will fulfill the following functions:

- i. Review and score individual applications received; take necessary actions to obtain a Council resolution confirming the Town's support for the project;
- ii. Submit applications to NDIT in the prescribed format before the relevant quarterly submission deadline for grant application;
- iii. Send official notification to the Applicant regarding NDIT's funding approval;
- iv. Verify that the proponent complies with the program requirements related to construction and project completion;
- v. Complete the reporting requirements in the format prescribed by NDIT;
- vi. Enter into a Housing Agreement with the Developer, if applicable;
- vii. Disburse funding received from NDIT to the Developer; and
- viii. Update the Town's website inviting applications to the program for the next term.

11. APPLICANT RESPONSIBILITY:

The Applicant will be responsible for the following:

- i. Submit a complete application in the prescribed format within the applicable deadline;
- ii. Notify the Town upon project completion, i.e., after the receipt of the Occupancy Permit;
- iii. Submit to the Town the photos of the completed development and financial summary; and
- iv. Notify the Town of any changes proposed to an approved project in any manner that would have influenced the eligibility for its funding approval, including but not limited to, the decision to abandon or downsize an approved project.

12. ATTACHMENTS:

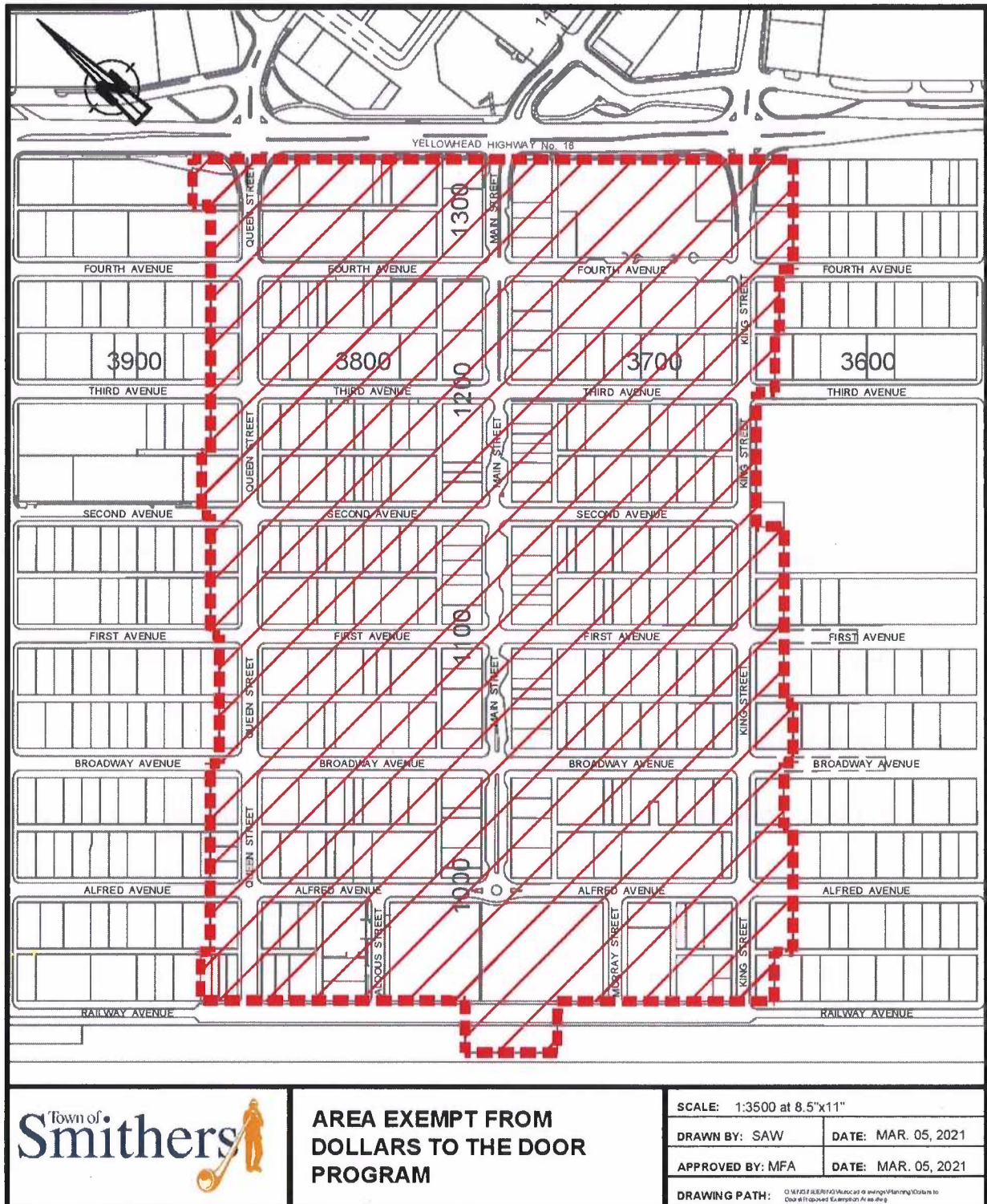
The following attachments form part of this policy:

- i. Attachment 1: Map of Downtown Revitalization Tax Exemption Area
- ii. Attachment 2: Dollars to the Door Program Application

13. DEFINITIONS:

BC Energy STEP Code:	STEP Codes are milestones established in relation to achieving a level of energy efficiency in new construction that goes above and beyond the requirements of the BC Building Code. STEP Levels 2 and 3 forms part of 'Lower Steps' identified within STEP code hierarchy and are achievable with additional investments in air-sealing practices.
Entry-Level Home Ownership:	It refers to units that are targeted to serve first-time homebuyers. Located at the lowest end of the housing price spectrum, entry-level units enable middle-income households to move from rental housing to homeownership. To be eligible, the buyer's gross annual income must fall between 80% to 120% of the Area Median Income (AMI). Affordability thresholds of the above target group will determine the price range of the entry-level units. A developer creating entry-level home ownership unit(s) must enter into a Housing Agreement with the Town.
Housing Agreement:	A regulatory tool that, in the form of a contractual arrangement with property owners or housing providers, enables local governments to exercise control over tenure, occupancy, cost, and sale restrictions of units identified in the agreement.
Housing for Families:	A dwelling unit suitable or designated for use by a family, containing three or more bedrooms. It is also referred to as 'family-friendly' housing.
Private Sector Developer:	Any developer or person that provides housing that does not fit within the definition of Non-profit Housing Provider.
Self-contained dwelling Unit:	A self-contained living unit of one or more rooms containing cooking facilities, sanitary facilities, living quarters and/or sleeping quarters.
Seniors Housing:	Housing that is suitable to serve individuals who are 65 years of age and above. Depending on the level of assistance required, it can range from independent living to 24-hour care. Accessibility, adaptability, and safety are key components that guide the design of such units.
Small-family Housing:	Units that serve the housing needs of a wide range of population groups, including but not limited to smaller one or two-person households, which could include young working professionals, aging seniors wishing to downsize, and younger families just starting their housing careers. The emphasis on smaller or modestly sized units also provides a valuable opportunity to offer an attractive housing choice to seniors and others living in the rural areas outside of Smithers who are interested in downsizing and moving closer to the town.

ATTACHMENT 1
Map of Downtown Revitalization Tax Exemption Area



ATTACHMENT 2

Dollars to the Door Program Application



PO Box 879, 1027 Aldous Street, Smithers, BC V0J 2N0
 Telephone (250) 847-1600 Fax (250) 847-1601
www.smithers.ca

DOLLARS TO THE DOOR PROGRAM APPLICATION

Application Received on:	Fee Paid: <input type="checkbox"/> \$400
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PART-1 APPLICANT INFORMATION

Applicant Name:	
Business Name:	
Address (with post box number):	
Phone Number:	
Email:	

PART-2 DEVELOPMENT PLAN

Property Information

i. Project Address:	
ii. Legal Description:	
iii. Current use of the property:	
iv. Are you the registered owner of the property? (Note: This form must be completed by the registered owner only)	<input type="checkbox"/> Yes <input type="checkbox"/> No

General Project Information

<input type="checkbox"/> New Construction	<input type="checkbox"/> Conversion to residential
Number of self-contained dwelling units to be created:	
Proposed dwelling density (i.e., parcel area/number of dwelling units):	
Estimated Project Cost (in CAD):	
Are you submitting this application with/ have you already submitted a Building Permit application for the proposed project?	

Housing Type

<input type="checkbox"/> Apartment	<input type="checkbox"/> Duplex
<input type="checkbox"/> Condominium	<input type="checkbox"/> Triplex
<input type="checkbox"/> Townhouses	<input type="checkbox"/> Quadplex (or more)

Tenure Type

<input type="checkbox"/> Ownership	<input type="checkbox"/> Rental	<input type="checkbox"/> Mixed
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Project Focus:				
<input type="checkbox"/> Market Rental		<input type="checkbox"/> One/two bedroom units		
<input type="checkbox"/> Entry-level home ownership		<input type="checkbox"/> Seniors Housing		
<input type="checkbox"/> Family Housing				
Will the rent/sale value of the new units be subsidized by any government entity/ a non-profit organization/ a cooperative?		<input type="checkbox"/> Yes <input type="checkbox"/> No		
Economic Impact:				
To what extent will the project rely on local suppliers/ trades (for construction)?		<input type="checkbox"/> 25% & below <input type="checkbox"/> 25%-50% <input type="checkbox"/> 50% & above		
Expected total project cost:		\$		
Expected sale price/monthly rental revenue/unit:		\$		
Current Assessed Value of the property:		\$		
Expected Assessed Value of the property at completion:		\$		
Nature of positions	Number of positions created	Hours of employment per week (average)	Total person months of employment to be created (average)	Position(s)/ Title(s)
Direct Permanent Jobs (35 hrs/week for a year)				
Direct Temporary Jobs (in construction)				
Dwelling Unit Details:				
Unit Type	Number of Units		Unit Size (sq ft.)	
Bachelor				
1 Bedroom				
2 Bedroom				
3 or more Bedrooms				
Step Code Commitments				
Aim to achieve STEP Level 2:		<input type="checkbox"/> Yes <input type="checkbox"/> No		
Aims to achieve STEP Level 3 & above:		<input type="checkbox"/> Yes <input type="checkbox"/> No		

Environmental/Accessibility Considerations

Describe any environmentally responsible/accessibility design features that will be incorporated in the proposed development:

Project Milestones

Stage of Project	Scheduled Date	Describe the current status:
Project Start Date		
1.		
2.		
3.		
4.		
5.		
Project Completion Date		

Financial Incentives/Grants

Provide details of other financial incentive/grant programs that you have applied for/received/ intending to apply as part of the proposed project:

PART-3 APPLICATION CHECKLIST

- ☐ Completed application form
- ☐ Detailed project timeline to ensure that the project will be completed in two years
- ☐ Proposed budget details
- ☐ A letter of intent providing a description as to how a proposed project will benefit the community and a summary of actions taken by the Applicant to ensure that the project is 'shovel ready'.
- ☐ Recent photos of the project site
- ☐ If creating entry-level ownership units, submit a written confirmation providing details of the dwelling units, including anticipated sale price range, process for choosing eligible owners, and willingness to enter into a Housing Agreement with the Town.

PART-4 APPLICATION ASSESSMENT (STAFF USE ONLY)				
No:	Criteria		Desirability Score	Project Score
1	Percentage of all units that are: market rental; seniors housing; housing for families; one/two bedroom units; and/or entry-level home ownership	1 unit or 25% & below of all units, whichever is higher	10	
		25% - 50% of all units	20	
		50% & above of all units	30	
2	Percentage of local vendors/trades	25% and below	10	
		25% - 50%	15	
		50% and above	20	
3	Commitment to achieve BC Energy STEP Levels	Level 2	20	
		Level 3 & above	30	
4	Supports environmentally responsible and/or accessible building and infrastructure design (that are not included in 3)		10	
5	Proposed dwelling unit density does not fall below 25% of the maximum density limit		10	
	Total Project Score		100	

PART- 5 ACKNOWLEDGMENT	
<p><input type="checkbox"/> I _____, (Applicant) of _____, (company name) have read and understand the Town of Smithers Policy "DEV-013 Multi-Family Housing Incentive Program" and the NDIT Northern Housing Incentive Program Guide.</p> <p><input type="checkbox"/> I agree to complete the work as described above in the application form and accept my responsibility to notify the Town of any changes to the information provided, at any stage of the project, prior to the disbursement of the approved grants.</p> <p><input type="checkbox"/> I will allow the Town of Smithers to use photos before and/or after pictures of the project and testimonials for the purpose of promoting this program in the future.</p> <p><input type="checkbox"/> I agree not to involve the Town of Smithers or Northern Development Initiative Trust (NDIT) in any legal action between myself and any contractors, estimators, employees, workers or agents arising from or out of the Housing Incentive Program project.</p> <p><input type="checkbox"/> I give my consent to the Town of Smithers to make all inspections necessary to confirm that the approved plans are implemented in accordance with expected standards.</p> <p><input type="checkbox"/> Payment of approved grants will be made upon the applicant providing the Development Services Department proof of completion of the proposed development.</p> <p>I hereby make application for the NDIT Housing Incentive Program in accordance with the above-stated information and declare that the statements are true and correct.</p> <p>Signature of Applicant: _____ Date: _____</p> <p>Your personal information is maintained in accordance with the <i>Freedom of Information and Protection of Privacy Act</i>.</p>	