

**ADMINISTRATIVE ORDER NUMBER 2025-001-ADM  
RESPECTING GRANTS FOR SECOND UNITS**

**WHEREAS**, on October 12, 2023, the Canada Mortgage and Housing Corporation and the Halifax Regional Municipality signed the Housing Accelerator Fund Contribution Agreement (Agreement);

**AND WHEREAS** Section 5.1 of the Agreement allows the Municipality to use funding under it for any initiative included in the Approved Action Plan;

**AND WHEREAS** Schedule A of the Agreement is the Approved Action Plan for the Municipality;

**AND WHEREAS** Initiative 6 (Encourage Small Scale Residential) of Schedule A has a milestone of establishing a framework for a funding program to lower the upfront costs to develop small-scale housing;

**AND WHEREAS** on May 23, 2024, Council adopted amendments to the land use by-laws arising from the Agreement that enable multiple dwelling units on nearly all residential lots;

**AND WHEREAS** on August 21, 2024, the *Minimum Planning Requirement Regulations* were amended to require a municipal planning strategy to include a statement of policy that the Municipality is experiencing a housing shortage crisis and that priority is be given to increasing the supply of safe, sustainable and affordable housing in the Municipality;

**THEREFORE BE IT RESOLVED** as an Administrative Order of the Council of the Halifax Regional Municipality, as follows:

**Short Title**

1. The Administrative Order may be known as the *Second Unit Incentive Program Administrative Order*.

**Interpretation**

2. In this Administrative Order,

(a) “Agreement” means the Housing Accelerator Fund Contribution Agreement dated October 12, 2023, between the Canada Mortgage and Housing Corporation and the Halifax Regional Municipality;

(b) “Executive Director” means the position the Chief Administrative Officer determines is the head of the planning and development department of the Municipality, and who is accountable to the Chief Administrative Officer under section 36 of the *Halifax Regional Municipality Charter*;

(c) “grant agreement” means a legally binding contract between the recipient and the Municipality outlining the conditions and terms of payment of a grant under the program;

(d) “Halifax Water” means the Halifax Regional Water Commission;

(e) “PPL&C system” means the online Permitting, Planning, Licensing, & Compliance system of the Municipality, and its successors system;

(f) “program” means the Second Unit Incentive Program;

- (g) “second unit” means:
- (i) a secondary suite or backyard suite as defined by the applicable land use by-law,
  - or
  - (ii) the second dwelling unit created by converting a single-unit dwelling to a two-unit dwelling; and
- (h) “short-term rental use” means a short-term rental as defined by the applicable land use by-law.

**Purpose**

3. The purpose of this Administrative Order is to assist individual property owners with certain charges and costs associated with constructing a second unit on their land.

**Program**

4. The program is hereby established to provide grants for the construction of second units on property owned by individuals.

5. (1) The program consists of the following grant streams:

- (a) the Halifax Water Fees Grant; and
- (b) the Water and Wastewater Infrastructure Costs Grant.

(2) The Halifax Water Fees Grant only applies to the Halifax Water charges and fees approved by the Nova Scotia Utility and Review Board, or its successor board, for:

- (a) water and wastewater regional development charges; and
- (b) inspection fees for backyard suites.

(3) The Water and Wastewater Infrastructure Costs Grant only applies to the construction costs associated with connecting the second unit to:

- (a) Halifax Water’s water system, wastewater system, or both systems; or
- (b) an on-site well, a private on-site sewage disposal system, or both.

(4) The Water and Wastewater Infrastructure Costs Grants includes the costs of installing pipes and laterals necessary to connect the second unit to the water system, the wastewater system, the on-site well, and the private on-site sewage disposal system.

6. (1) Eligible applicants may receive grants from both streams.

(2) All grants are subject to annual budget availability.

(3) Due to limited funds, not all eligible applications may receive funding.

**General Eligibility Requirements**

7. (1) An applicant to the program shall meet the following requirements:

- (a) be one of the owners of the property that is the subject of the grant;

- (b) provide written consent of all the other owners of the property, if any, consenting to the grant;
  - (c) reside on that property as their primary residence;
  - (d) have been issued a valid building permit for the second unit, and provide a copy of it;
  - (e) identify the stream or streams of the program that is the subject of their application;
  - (f) identify if they have received previous funding from the program for the same property;
  - (g) submit their application on the PPL&C system;
  - (h) agree to the repayment conditions in this Administrative Order;
  - (i) be in relation to a charge or fee listed in subsection 5(2) or a cost listed in 5(3);
- and
- (j) comply with the applicable subsection in section 8.
- (2) To be eligible for consideration under the program, the application shall not
- (a) be in respect of a charge, fee or cost unless it is listed in subsection 5(2) or 5(3);
- or
- (b) otherwise be ineligible in section 9, 10, or 11.

**Additional Eligibility Requirements**

8. (1) In addition to section 7, an applicant for a Halifax Water Fees Grant shall also meet the following requirements:

- (a) relate to a property that is located within the Urban Service Area as shown on Schedule B of the *Regional Subdivision By-law*; and
- (b) provide an estimate of the water and wastewater regional development charges and, if applicable, the inspection fees.

(2) In addition to section 7, an applicant for a Water and Wastewater Infrastructure Costs Grant shall provide detailed quotes or estimates for the proposed work and estimated costs listed in subsection 5(3) respecting the costs associated with connecting the second unit.

**Ineligible for the Program**

9. The following are ineligible for the program:

- (a) an applicant who does not meet the requirements under sections 7 and 8;
- (b) second units being constructed by anyone other than individual, such as a business;

(c) second units that were not lawfully constructed, including being constructed contrary to an enactment of the Province of Nova Scotia or the Municipality such as the *Building Code Act*, or the applicable land use by-law or development agreement;

(d) second units located on a property that have outstanding taxes owing to the Municipality, unless the owner of the property has entered into a tax arrears payment arrangement with the Municipality and the owner is complying with that agreement;

(e) grants under the program for the same second unit on the same property, unless the grant is for a stream that has not previously been approved by the Municipality;

(f) second units that are either existing or under construction prior to the coming in force of this Administrative Order; or

(g) applications filed with the Municipality for a building permit for a second suit prior to the coming in force of this Administrative Order.

10. Any cost or charge not listed in section 5 is ineligible under the program.

11. The following are examples of ineligible costs:

(a) housing or residential accommodations used for a commercial purpose, including short-term rental uses;

(b) any part of a dwelling unit provided as an employment-related benefit;

(c) projects directly or indirectly serving the interests of a trade, profession, industry, commerce, or business; or

(d) eavestroughs, and internal plumbing equipment, such as toilets, sinks, bathtubs, showers, faucets, dishwashers, bidets, water heaters, water softeners, water filters, sprinklers, sump pumps, and supply lines.

#### **Delegation**

12. (1) Council hereby delegates to the CAO, or their designate, the authority to approve grants under this Administrative Order.

(2) Council hereby delegates to the Executive Director the authority to enter into, sign, amend and terminate grant agreements under this Administrative Order.

(3) The Executive Director may delegate, in whole or in part, their authority in subsection 12(2) to one or more employees of the Municipality.

(4) An employee who is delegated authority under subsection 12(3) may not further delegate that authority.

#### **Application Review**

13. Applications shall be accepted on a rolling basis.

14. (1) The CAO, or their designate, may review applications to determine if they are complete.
  - (2) If the application is incomplete, the CAO, or their designation, may notify the applicant what information is required to complete the application and specify a time to respond.
  - (3) If the applicant does not provide all the information within the time specified, or such greater period of time that the CAO or their designate has granted, the application is deemed withdrawn.
15. (1) The CAO, or their designate, may only consider a complete application for a grant under this Administrative Order.
  - (2) Complete applications shall be reviewed against program requirements and eligibility.
  - (3) Applicants will be advised if their application is approved or refused.
  - (4) Approved applicants shall be required to sign a grant agreement with the Municipality prior to any funds being paid by the Municipality.

#### **Grant Agreement**

16. The grant agreement in 15(4) shall:
  - (a) be in the form satisfactory to the CAO, or their designate;
  - (b) require the construction of the second unit to be completed, and an occupancy permit issued for it, no later than October 11, 2026;
  - (c) require recipients to forward final invoices confirming the work was completed by the earlier of an occupancy permit being issued by the Municipality or the HAF Agreement expires;
  - (d) be signed by all the owners of the property; and
  - (e) require repayment that complies with sections 21 and 22.

#### **Distribution of Funds**

17. (1) Subject to section 19, approved Halifax Water Fees Grant shall be issued in the form of a refund via a cheque, but only after the applicant signs and returns the grant agreement.
  - (2) The maximum grant amount shall be:
    - (a) for a second unit that is a backyard suite, \$2,912.96 per application, or
    - (b) for any other second unit, \$2,762.96 per application.
18. (1) Subject to section 19, approved Water and Wastewater Infrastructure Costs Grant may be issued before construction commences but only after the applicant signs and returns the grant agreement.
  - (2) The maximum grant shall be \$10,000 per application.

(3) Only invoices, receipts, and payments dated after the date of application to the program qualify for the Water and Wastewater Infrastructure Grant.

19. The Treasurer may set off, in whole or in part, the amount of any grant under this Administrative Order against any sum the person owes to the Municipality, including sums owed to Halifax Water.

20. Grants under this Administrative Order may be approved and provided on an ongoing basis until the earlier of:

- (a) June 1, 2026;
- (b) Council, by resolution, cancels the program;
- (c) the allocated funds from the Agreement are depleted; or
- (d) the Agreement expires or is terminated by any party.

**Repayment Conditions**

21. The full amount of the grants provided under this Administrative shall be repaid to the Municipality if the second unit is used as a short-term rental use within a period of five (5) years commencing on the date on the occupancy permit.

22. The full amount of the grant provided under this Administrative shall be repaid if work is not completed within the approved timeframe.

Done and passed in Council this 18th day of March, 2025.

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Mayor

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Municipal Clerk

I, Iain MacLean, Clerk of Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on March 18, 2025.

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Iain MacLean, Municipal Clerk

Notice of Motion:  
Approval:

February 11, 2025  
March 18, 2025

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