



Municipality of North Grenville

To: **Council**

Meeting Date: February 12, 2025

Subject: ARU Initiative

Report No: PD-2025-012

Prepared by: Jackie Schoemaker Holmes,
Housing Accelerator Fund Program Manager

Recommendation(s)

THAT Council receives this report for information purposes.

Executive Summary

Purpose

- This report details the Additional Residential Unit – or ARU – Initiative which is one of the seven Housing Accelerator Fund (HAF) initiatives that the Municipality of North Grenville is undertaking with the support of Canadian Mortgage and Housing Corporation (CMHC) funding. The ARU Initiative is intended to incent the building of ARUs in the municipality to increase affordable housing availability by providing grants and “shovel-ready” architectural plans to property owners. The overall objective of the initiative is to encourage existing property owners to add rental units, thereby increasing affordable housing options and supporting community growth via the gentle densification of existing urban residential lands.

Key Findings

- The ARU Initiative may provide up to \$300,000 to incent the building of 10 ARUs per year in the municipality (as funded by the grant and plus applicable building permit fees). Residents can also access “shovel-ready” architectural blueprints that have been designed specifically with the needs of the municipality and residents in mind.

Financial Implications

- The grants, building fees, and licensing for the architectural blueprints are all funded directly by HAF program funding.

Background/Analysis

The Housing Accelerator Fund is part of Canada's National Housing Strategy (NHS), an \$82+ billion plan to give more Canadians a place to call home. The purpose of the Housing Accelerator Fund (HAF) is to enable more homes to be built faster. Over the next three years, the Municipality will receive up to 5.2 million dollars to help deliver 671 new homes. The Municipality was awarded HAF funding in March of 2024. With the help of this funding, the Municipality can reduce barriers to building homes in our community which helps accelerate accessible and affordable housing. The Municipality of North Grenville has committed to seven initiatives over three years. These seven initiatives are as follows:

- **Infrastructure Master Plan Update**
- **Municipal Owned Lands Review**
- **Zoning Reform**
- **Development Approvals Software**
- **Additional Residential Unit (ARU) Incentive Program**
- **Municipal Fee Review**
- **Stormwater Master Plan**

Relevance to Strategic Priorities

Strategic Pillar	Pillar #1 - Balanced and Environmentally Sustainable Growth
Goal	Goal #1.5 - Explore Opportunities for Increasing Housing Supply and Mix
Key Action	Action #1.5.4 - Identify opportunities for residential infill and intensification

Options and Discussion

The ARU Initiative plans to fund the construction of 10 ARUs each year for three years, totaling 30 ARUs. Additionally, eligible property owners will have access to professionally designed architectural plans, specifically created to optimize the functionality of small homes.

Applications for the ARU Initiative will open February 17, 2025, with quarterly intake periods throughout the year. Each application will be reviewed based on a set of criteria,

including proof of ownership of property on residential lands, plans to offer affordable rental options, and the demonstration of financing that will enable the ARU to be built within the timeline outlined in the grant agreement.

The Municipality will host a series of informational open houses for community members to learn more about the ARU Initiative. The first of these open houses will be held on February 24th at the Municipal Centre and will include members of the Planning and Building Department who will be on hand to answer questions. A virtual session designed for builders, realtors, and other stakeholders will also be part of these open houses and will be announced at a future date.

Financial Impact

This item has been identified in the current budget: Yes No **N/A**

This item is within the budgeted amount: Yes No **N/A**

Staffing implications, as they relate to implementing Council’s decision on this matter, are limited to the existing staff complement and applicable administrative policies as approved by Council.

Internal/External Consultation

Staff have consulted with other communities with similar ARU programs to gather best practices to integrate into the program. Informational sessions for staff are planned for municipal staff so that all staff have the opportunity to obtain knowledge and guide applicants to information and resources.

Communications

The ARU Initiative has a dedicated webpage on the municipal website where you can find applications, a guidebook, an instructional video, and further information about both the designs and the grants.

Open houses will be held over the next few months to inform the public about this opportunity and provide the opportunity for residents and property owners to inquire about the program. Radio, newspaper, and social media advertising will help spread the word about this opportunity.

Attachments

- Sketches of ARU designs (exterior)