

# TOWN OF BELLE-BAIE POLICY

TITLE: Promotion of Modular and Prefabricated Construction

Policy Number: P2025-04

**AUTHORIZATION:** Administration and Municipal Council

**EFFECTIVE DATE:** January 10, 2025

Amended: N/A

Replaces: N/A

APPROVAL: Municipal Council

#### 1. OBJECTIVE

The purpose of the Incentive Policy for Modular and Prefabricated Construction is to encourage and promote the use of modular and prefabricated construction techniques in the residential sectors of Belle-Baie, with the goal of financially supporting the increased availability of prefabricated housing in Belle-Baie.

It aims to diversify the housing supply, paving the way for more affordable and innovative alternatives such as modular housing, prefabricated housing, and other forms of prefabricated modular dwellings.

Funding comes from the Canada Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund (HAF).

#### 2. INITIATIVES

The Prefabricated Construction Incentive Initiative aims to encourage the development of affordable housing units in the City of Belle-Baie. Through financial incentives, this program seeks to increase the availability of housing options for residents in accordance with provincial and CMHC affordability guidelines.

With a direct financial incentive, this initiative aims to make housing construction more economical, faster, and more sustainable. It also supports the diversification of housing

supply through affordable and innovative alternatives such as modular and prefabricated housing.

Prefabrication offers benefits such as shorter construction timelines, better cost control, and a reduced carbon footprint—contributing to sustainable and resilient communities.

#### 3. DEFINITIONS

**Prefabricated Construction:** Modular volumetric prefabricated housing (excluding panelized construction methods), totaling 1,200 square feet or more.

**CMHC:** Canada Mortgage and Housing Corporation.

**Development:** Construction of new residential units or conversion of existing properties into residential units.

### 4. IMPLEMENTATION

# 4. (1) Eligibility Criteria:

- (a) Funding is available for the development of additional housing units in Belle-Baie that use modular and prefabricated construction methods as defined above.
- (b) Projects must fully comply with all relevant zoning regulations and building codes and must have received all necessary permits and approvals from local authorities.
- (c) Construction work must begin no later than 6 months after the building permit is issued.

# 4. (2) Process:

- (a) An incentive application must be submitted to the Belle-Baie municipal office after obtaining a building permit for the proposed development.
- (b) Applications will be reviewed on a first-come, first-served basis and decisions will be made accordingly.
- (c) After review of the application and a funding decision by the appropriate authorities, applicants will be notified of the decision and any next steps, if applicable.
- (d) The approved incentive will be disbursed after the completion of each eligible housing unit, as verified by the appropriate authorities.

# **4. (3) Funding:**

- (a) The incentive amount is \$10,000 per unit for eligible prefabricated housing developments approved in the Belle-Baie area.
- (b) The incentive will be paid in two installments of 50%:
  - **First Installment:** When the municipal building inspector confirms that construction is 50% complete.
  - **Second Installment:** Upon the completion of construction, provided that this date is after February 1st following the year the permit was issued.

#### 4. (4) General:

- (a) The Prefabricated Construction Incentive Initiative operates on a first-come, first-served basis. The Municipality reserves the right to modify the terms of this offer without notice.
- (b) Units included in this initiative exclude senior care homes, as they are eligible for other federal and provincial funding programs.
- (c) Incentives apply only to developments that increase the net total number of housing units in the community. In other words, relocating existing structures or replacing demolished units is not eligible for this grant.
- (d) Grant amounts will be available to approved recipients for a period of six months following the eligibility date. If unclaimed within this period, the Municipality reserves the right to reallocate and redistribute the funds to other recipients.
- (e) Incentives under this initiative cannot be combined with other incentives offered by the City of Belle-Baie under the HAF program

#### 5. ADMINISTRATION AND CONTACT

For any inquiries or assistance regarding this policy and related infill development incentives, please contact:

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