



TOWN OF BELLE-BAIE POLICY

TITLE:	Promotion of Infill Development to Increase Density in Existing Communities
Policy no:	P2025-02
AUTHORIZED BY:	Administration and Municipal Council
EFFECTIVE DATE:	2025-01-10
Amended:	2025-09-16 / 2026-02-17
Remplace :	s.o.
APPROBATION :	Municipal Council

1. OBJECTIVE

The purpose of the Policy on the Promotion of Infill Development to Increase Density in Existing Communities is to provide the framework required for the Council of the Town of Belle-Baie to financially support the development of higher-density housing opportunities in Belle-Baie. Funding is provided through the Housing Accelerator Fund (HAF) of the Canada Mortgage and Housing Corporation (CMHC).

2. INITIATIVE

More specifically, the initiative aims to provide financial support to eligible property owners to make new housing units available to residents, with a particular focus on affordability, inclusivity, and the missing middle.

3. DEFINITIONS

Infill Development: The process of developing new buildings or units on underutilized or vacant parcels of land, or converting existing non-residential buildings into housing units, within existing urban areas.

Dwelling Unit: A single housing unit within a building designed to be occupied by one household.

Owner: A natural or legal person holding legal ownership of a property as registered with the appropriate authorities.

Affordable Housing: A dwelling unit that meets the affordability criteria established by the Canada Mortgage and Housing Corporation (CMHC) or the New Brunswick Social Development Program, or that complies with provincial or municipal affordability guidelines.

CMHC: Canada Mortgage and Housing Corporation.

4. IMPLEMENTATION

4. (1) Eligible Activities:

- (a) Eligible developments may include new construction and the redevelopment or renovation of vacant apartments to create additional housing units through infill development as defined above.
- (b) The proposed development must provide at least one additional housing unit on an existing property.
- (c) The proposed development must not be owner-occupied and must not consist of an accessory dwelling unit.
- (d) The development may consist of multi-unit housing such as duplexes, triplexes, fourplexes, townhouses, and apartment buildings.
- (e) Construction work must commence no later than six (6) months after the issuance of the building permit.

4. (2) Process:

- (a) An incentive application must be submitted to the Town office after obtaining a building permit for the proposed development.
- (b) Following the review of the application and the funding decision made by the appropriate authorities, applicants will be informed of the decision and the next steps, if applicable.
- (c) Incentives will be allocated on a first-come, first-served basis

4. (3) Funding:

- (a) The incentive payment will be made in two instalments of 50% each, as follows:
 - First instalment: Upon confirmation by the Town's building inspector that 50% of the construction work has been completed.
 - Second instalment: Upon completion of the project or within the year following the year in which the building permit was issued, as applicable.

(b) Density Grant: The incentive is based on the number of units and is calculated as follows for any residential development adding one or more additional infill units:

- A base amount of \$6,000 per unit.
- An additional amount of \$2,000 per bedroom. For example, a one-bedroom unit receives $\$6,000 + \$2,000 = \$8,000$ per unit; a two-bedroom unit receives $\$6,000 + (\$2,000 \times 2) = \$10,000$ per unit, etc.
- An additional amount of \$4,000 for units located on the second floor or for split-level units without a garage.
- To be eligible, the development must include at least 10% affordable units (rounded up to the nearest whole number).
- For affordable units only, an additional \$5,000 per affordable unit will be granted as an incentive.

Illustrative example: If a developer submits an application for a 12-unit building, each containing two bedrooms, and 2 of these units are considered affordable, the developer will receive \$10,000 per unit for the 10 standard units and \$15,000 per unit for the 2 affordable units. This represents a total incentive of \$130,000 for the project.

4. (4) Compliance with Affordability Criteria:

- (a) If applicants have already applied for funding under a federal affordable housing program (CMHC) or a provincial program (Social Development), they will automatically be eligible or grandfathered into the municipal incentive program under the affordability criteria (for the number of affordable units only).
- (b) Alternatively, if applicants do not wish to apply to a federal or provincial affordable housing program, they may still apply to the municipal program and be deemed eligible according to the eligibility criteria outlined below:
- Sign a letter of commitment from the developer stating that rents will be maintained at an affordable level.

Affordability will be defined using the CMHC market rent for units built after the year 2000, applying a factor of 85% to that amount, with an annual increase of 3%. The starting rate as of January 1, 2026, will be:

	Studio	1 Bedroom	2 Bedrooms	3 Bedrooms
CMHC Market Rent for Units Built After 2000	\$963	\$1 094	\$1 375	\$1 572
At 85%	\$818	\$930	\$1 169	\$1 336
	These figures do not include heating, electricity, or hot water.			
	As of January 1, of each year, these rates will increase by 3%.			
	www03.cmhc-schl.gc.ca/hmip-pimh/#Row / Apartment			

- Affordable housing units may not be rented to immediate family members (children or parents).
 - The applicant may be subject to verification by the Municipality or its agents, if applicable, during which they must provide proof of the rental amount to demonstrate that the rent has been maintained at the required level.
 - In the event of non-compliance, the Municipality reserves the right to require repayment of the incentive already provided and, if necessary, to exercise its legal rights to recover the funds disbursed.
- (c) This grant aims to encourage densification while ensuring a significant proportion of affordable housing units in new residential developments.

4. (5) General :

- (a) This Policy on the Promotion of Infill Development to Increase Density in Existing Communities, and any disbursements resulting from it, are based on a first-come, first-served basis. The Municipality reserves the right to modify the terms of this offer without prior notice.
- (b) Units included and subject to this initiative exclude senior care homes, as these are eligible for other funding programs at the federal and provincial levels.
- (c) Incentives apply only to developments that increase the total net number of housing units in the community. In other words, the relocation of existing structures or the replacement of demolished units is not eligible for this grant.

- (d) Grant amounts will remain available to approved recipients for a period of six (6) months from the date of eligibility. If the amount is not claimed 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 Town of Belle-Baie under the Housing Accelerator Fund (HAF).

5. ADMINISTRATION AND CONTACT

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

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