	<h1 style="color: red; margin: 0;">POLICY</h1>	<b>Department:</b>  Chief Administrative Officer (CAO)
	<h2 style="margin: 0;">RESIDENTIAL DEVELOPMENT INCENTIVE PROGRAM</h2>	
<b>Effective Date:</b> March 1, 2025		<b>Last Reviewed Date:</b> January 20, 2025

## 1. PURPOSE STATEMENT

The Town of Salisbury Residential Development Incentive Program is intended to encourage the development of additional housing supply and types within a targeted area of the community.

The objectives of the program are:

1. To focus new residential development in areas of the Town that are serviced by the municipal wastewater system where access to other amenities and services are in close proximity to the dwelling units.
2. To assist with pre-application expenses that are required for new residential developments.
3. To increase the range of housing options available within the Town, including larger apartment units, smaller houses, seniors housing and affordable housing units; and
4. To explore cost-sharing opportunities with the private sector for new residential developments that propose a variety of lot sizes and housing types which provide mutual benefits for both the developer and the municipality.

## 2. DEFINITIONS

**“Chief Administrative Officer (CAO)”** means the head of the municipal administration. The individual is the only employee who reports directly to Council;

**“Council”** means the Town Council of the Town of Salisbury;

**“Developer”** means a person who is responsible for any undertaking that requires a building and development permit or subdivision approval;

**“Project”** means a development which is eligible for the Residential Development Incentive Program, including when the project is proposed in phases;

**“Planning Review and Adjustment Committee”** means the Committee assembled under the authority of the Community Planning Act and directed by the Southeast Regional Service Commission (“PRAC”);

**“Property Owner”** means the registered owner of the property.

### **3. ADMINISTRATION**

The Residential Development Incentive Program shall be administered by the Chief Administrative Officer for the Town of Salisbury.

### **4. FUNDING**

All funds for the Residential Development Incentive Program will be made available through the Town’s annual Operation Budget. Should there not be adequate funding to meet demand for the program, applications will be held and processed in chronological order of their application date as funding becomes available subject to Council approval.

It is estimated that \$100,000 will be allocated annually for this program. Funds will be distributed on a first-come, first served basis. Council reserves the right to revisit the program and the financial commitment annually as part of the budget process.

### **5. ELIGIBLE AREA(S)**

The Residential Development Incentive Program applies to areas that are serviceable by the Town’s municipal wastewater system, as shown on the Town’s Service Map, attached as Schedule A.

Notwithstanding the area noted above, the Program applies to accessory dwelling units throughout the entire municipality.

### **6. GRANT PROGRAM(S)**

#### **Pre-Application Grant**

A Pre-Application Grant is intended to assist with the exploratory and preparatory costs that are required for residential development projects. Eligible work includes professional fees for development plans, including architectural expertise, and fees associated with an abbreviated or comprehensive water study. The grant is accessible up to two times per project.

The maximum amount for each portion of the grant is included in Schedule B.

### **Residential Incentive Grant**

A Residential Incentive Grant is intended to encourage the supply of new housing, including alternative housing products and types. The grant is accessible on a per-unit-created basis and is accessible only once per project. The proposed use of land also must be permitted in the existing zone, according to the Town of Salisbury Zoning By-law. If a Planning Review and Adjustment Committee application is required, the application must be processed prior to an application under this program.

Eligible projects include:

- Building conversions, where an existing building is being converted or expanded to include one or more attached or detached residential dwelling units.
- The creation of a new accessory dwelling unit. (e.g.: granny suites, secondary units on lot, etc.)
- New residential buildings of three units or more.
- New residential developments that include three or more bedrooms per dwelling unit (subject to terms below, one-off residential developments are not eligible).
- Incentives for new single-family homes or semi-detached/duplexes will be available only within new subdivisions that include a minimum of 10 (ten) units ~~single-family homes~~. This requirement ensures that the development is substantial and contributes significantly to the housing supply.

The maximum amount for each portion of the grant is included in Schedule B.

### **Building and Development Permit Fee(s) Grant**

The Building and Development Permit Fee Grant covers 100% of the fees paid on planning and development applications and permits for a project approved and completed under any of the other incentive programs if one or more of the residential units proposed are affordable housing units and an external funding agreement that stipulates a minimum time period to maintain a period of affordability has been established. According to the Canada Mortgage and Housing Corporation (CMHC), housing is considered “affordable” in Canada if it costs less than 30% of a household’s before-tax income.

The maximum amount for each portion of the grant is included in Schedule B.

### **Residential Subdivision Cost-Sharing Grant**

The Residential Subdivision Cost Sharing Grant is intended to assist with the capital costs associated with new residential subdivisions that will include a variety of lots sizes and housing options. Eligible subdivisions must have completed a Comprehensive

Water Study and provide an overall concept plan that clearly shows the proposed lot sizes and housing styles, along with an accompanying phasing plan if applicable. Available cost sharing services under this program may include sewer lines, asphalt wearing surface (excluding, excavation, base, etc.), signage, and sidewalks if deemed necessary and at the discretion of the Town.

The arrangements of the cost-sharing grant will be detailed in an agreement, following the motion of Council assenting the location of the proposed street and Land for Public Purposes requirements.

The maximum amount for each portion of the grant is included in Schedule B.

The Town reserves the right to verify costs using a third-party engineering consultant. In the event that a discrepancy in eligible cost exists, the Town reserves the right to utilize the lowest amount for the purposes of determining incentives.

## **7. PROGRAM ADMINISTRATION**

### **Application Process**

- **Step 1: Initial Consultation**  
Developers should first consult with the Town to discuss their project and confirm its eligibility for the Residential Development Incentive Program.
- **Step 2: Application Submission**  
Owners/developers must submit a completed application form along with the necessary supporting documents, such as site plans, architectural drawings, professional service quotations, along with a detailed project budget. The application form is provided in Schedule C. By way of adopting this Policy, Council authorizes the Chief Administrative Officer to make minor adjustments to the application form on an as-needed basis as the program may require.
- **Step 3: Application Review**  
The Chief Administrative Officer (CAO) or their designate will review the application to ensure it meets the program's criteria and aligns with the Town's development goals.
- **Step 4: Estimated Grant Amount and Timeline**  
If the application is approved, the CAO will provide the developer with the estimated eligible grant amount and a timeline for them to accept or decline the offer. As this is a first-come, first-served program, funds will only be held once an agreement is signed.
- **Step 5: Approval and Agreement**  
If the application is approved, the Town will issue a letter of approval to the applicant and the Town and applicant will subsequently enter into an agreement outlining the terms and conditions of the grant. The template approval letter is included in Schedule D.

## **Grant Approval**

Once all eligibility criteria and conditions are met, and provided that funds are available, the CAO or their designate will approve the grant. If an application is refused, the applicant may appeal the decision of the CAO to Town Council.

Approval by means of a letter to the applicant will represent a grant commitment. Grant commitments will be valid for two years and will expire if the work is not completed within that time period. The CAO, at their discretion, may provide a written commitment extension of up to one year. Consideration of such an extension will require a written request from the applicant detailing the reasons the extension is being sought.

Prior to the advancement of funds, the grant agreement must be signed, and the work must be completed. There will be no progress payments.

The Town will budget annually for the grant program. Once funds are depleted for the year, no further grants will be available until the subsequent fiscal year. Grants are allocated on a first-come, first-serve basis, with funds earmarked only once agreements are signed.

All approved projects must specify a completion date. Projects that do not meet their completion dates may be subject to review and potential reallocation of funds to ensure efficient use of resources. The Town reserves the right to transfer those funds or redistribute them elsewhere between the original completion date and December in the event the approved project fails to meet the completion date specified by the applicant.

To qualify for the payment of the grant all approved projects must meet the following conditions:

- **Completion Date:**
  - Applicants are required to specify their completion dates in the application. They must acknowledge and accept that failure to adhere to the specified completion date grants the Town the right to void the payment. Funding approvals are granted for specific calendar years as indicated in the application and therefore, the Town will endeavour to allocate funds in a reasonable and timely manner.
  - Projects must be completed by November 1 of the first year following the approval of the grant application.
- **Capital Cost Grant Approval**
  - Within thirty (30) days of fifty percent (50%) of the construction being completed, or fifty percent (50%) of the units being leased or sold, whichever occurs earlier, all receipts for eligible costs must be submitted to qualify for the payment of the grant.

## **Grant Disbursement**

Upon approval, the applicant will receive the incentive in the form of a grant. The grant will be reported annually in the Town's legislated Annual Report. The disbursement will be made as a lump sum payment.

Pre-Application Grants will be released following the completion of the work. Proof of payment for the services must be provided.

The Building and Development Permit Fees Grant and Residential Incentive Grants will be released once the project is completed. The grant will relate to the invoices showing the actual costs of completed work and not the estimated costs.

The Residential Subdivision Cost Sharing Grant will be released when invoices for the services are provided to the Town.

## **Monitoring and Compliance**

The town will monitor the project to ensure compliance with the agreement. Any deviations from the agreed upon terms may result in penalties or the withdrawal or repayment of the grant.

## **Final Inspection & Site Visit**

The Building and Development Permit Fees Grant and Residential Incentive Grants will be paid to the applicant upon final building inspection carried out by the Southeast Regional Service Commission, and confirmation is provided to the Town.

## **Preparation of Agreement**

The Town of Salisbury will be responsible for the cost and executing of the agreement and any associated legal fees in doing so. In the event that the Developer wishes to have an independent review of the agreement, this shall be at their cost. Should execution of the agreement not be able to be done by the Town's Solicitor, the Town will cover reasonable expenses, at their discretion, to have the agreement executed.

## **Payment Delivery**

The payment of the incentive(s) will be delivered via cheque.

## **Annual Review & Monitoring**

The Chief Administrative Officer will review this program annually with a report to Council that includes the number of applications received, units created, and funds disbursed.

A mid-point review will be conducted in June each year to assess the status of the Residential Development Incentive Program. If the allocated funds needed to administer

the program are low, a recommendation may be made to the Council to consider a top-up to ensure the program's continuity.

If applications to the program are under the budgetted amount in a calendar year, the Chief Administrative Officer may recommend to Council that additional phases of a project that have otherwise met a maximum amount be eligible for an additional incentive, if this will lead to expedited or additional housing stock.

Any funds that are budgetted but unspent are to be used at the discretion of Council. It is possible, although not mandatory, that the funds be earmarked to reserves for future disbursement as applications arise.

It is essential that a new pilot program be monitored and evaluated to determine its impact and success.

The Residential Development Incentive Program will be measured using the following metrics, when available:

- Number of residential units created
- Total permit value
- Increase in property tax revenue
- Occupancy rates of new units
- Impact on the annual operating budget
- Feedback from developers and residents

### **Termination of Program**

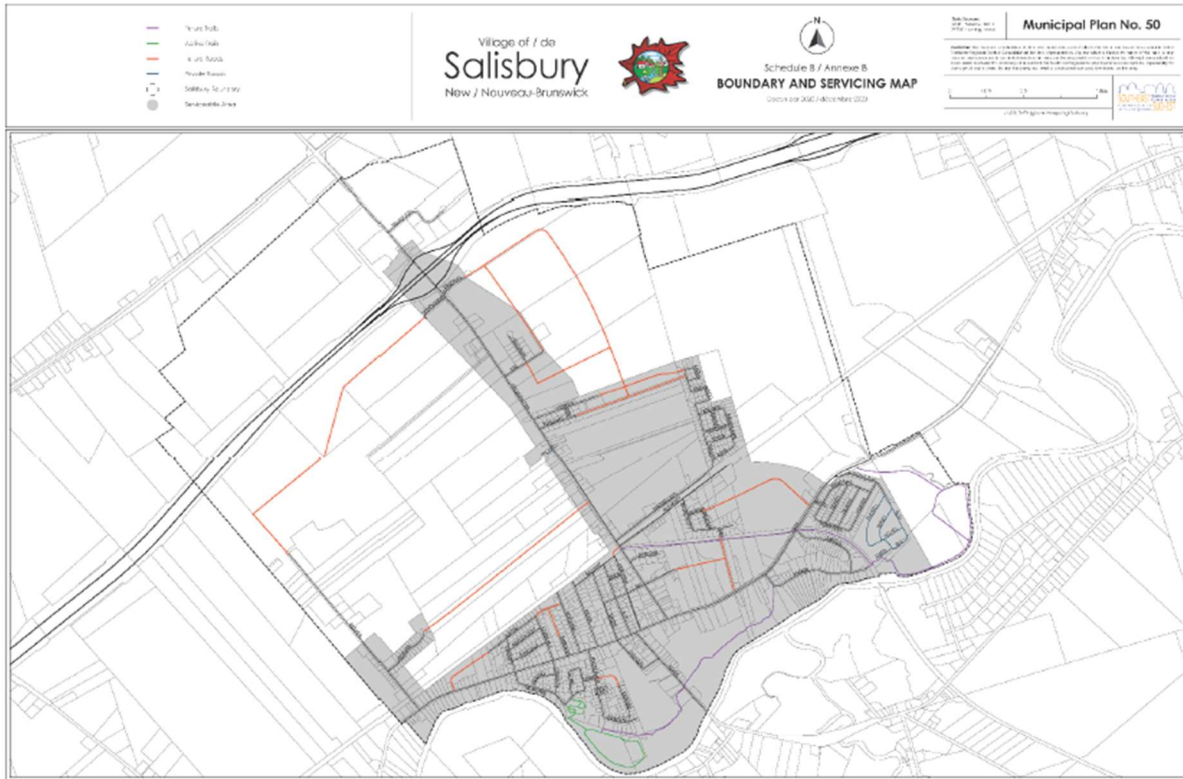
The Town may discontinue the program at any time. However, the grant commitment confirmed in writing prior to its termination will be processed in entirety subject to the eligibility criteria detailed in the program guideline.

## **8. GENERAL CONDITIONS**

1. Developers planning residential projects in Salisbury are eligible to apply. Before starting the application process, developers should ensure that their project meets the eligibility criteria for the program. The project must involve the creation of new residential units.
2. The subject property shall not be in a position of tax arrears. All taxes owing shall be paid prior to the disbursement of any fee-related grant.
3. Any property owner or developer wishing to be considered for a grant under the program must complete and submit the prescribed form to the Town of Salisbury prior to the commencement of any works and prior to applying for a building permit.

4. Grant applications do not apply retroactively to previously approved development projects. However, it is at the Council's discretion to retroactively apply the Grant to projects in progress with developers. No projects shall be eligible for any work that commenced before January 1, 2025.
5. Any project(s) and/or project phase(s) with existing ad-hoc financial incentives, agreed upon prior to the finalizing of this program, shall not be eligible under this program.
6. The Applicant will be required to enter into an Agreement with the Town of Salisbury that sets out the conditions of the grant.
7. The Town of Salisbury reserves the right to refuse any application for an incentive if it determines that it does not meet the objectives of this policy or that it is unreasonable.
8. Should the requirements outlined in this program not be met, the grant will be cancelled.
9. Entering into an agreement and/or providing a grant under this program does not, under any circumstance, render the Town, their respective Councillors, members, directors, executives, officers, employees, and agents liable for any fine, claim, action, or otherwise that may arise with respect to the same. Any Developer and/or grant recipient shall, in applying for a grant, accept that they shall indemnify the Town from any and all liability, action, claim, loss, damage, payment, cost, fine, fine surcharge, recovery or expense, including assessable legal fees, directly attributable to, arising from, or caused by the alleged or attributable negligence or breach of contractual obligation hereunder.

# Schedule A Serviceable Boundary Map



## Schedule B

### Maximum Award per Grant Component(s)

<b>Grant Stream</b>	<b>Maximum Permitted Amount</b>
Pre-Application Grant	<ul style="list-style-type: none"><li>• Up to \$5,000 per award</li><li>• Can be accessed up to two (2) times per project</li></ul>
Residential Incentive Grant	<ul style="list-style-type: none"><li>• \$10,000 per unit, to a maximum of \$40,000 per project</li></ul>
Building and Development Permit Fees Grant	<ul style="list-style-type: none"><li>• Re-imburse up to 100% of building permit costs upon completion of building</li></ul>
Residential Subdivision Cost Sharing Grant	<ul style="list-style-type: none"><li>• Up to 25% of the total construction costs for eligible services, up to \$150,000 per project</li><li>• The Town may increase authorized contribution beyond \$150,000 in the event of securing of additional funding, at the sole discretion of Salisbury Town Council</li></ul>

**Schedule C**  
Application Form

Application Form follows in the ensuing nine (9) pages

The application form is available for submissions online via the following QR code:



# Town of Salisbury Residential Development Incentive Program

This form is for collecting applications for the Town of Salisbury's Residential Development Incentive Program.

Prior to application, developers are encouraged to refer to the Town's Residential Development Incentive Program on the Town's website: [salisburynb.ca](http://salisburynb.ca).

Developers should first consult with the Town to discuss their project and confirm its eligibility for the Residential Development Incentive Program.

For information on eligibility and/or criteria for the Program, please contact the Town's Chief Administrative Officer, Austin Henderson, by emailing [austinhenderson@salisburynb.ca](mailto:austinhenderson@salisburynb.ca).

\* Required

## Applicant Information

1. Name of Registered Property Owner \*

2. Business Name (if applicable)

3. Mailing Address \*

4. Phone Number \*

5. Email Address \*

## Property Information

6. Property Civic Number (if known)

7. Property Identification Number (PID) \*

8. Legal Description of Property (Lot and Plan Numbers), if known

9. Are there existing building(s) on site? \*

Yes

No

10. Are there outstanding work order(s) on this property? \*

Yes

No

## Property Tax Informaton

11. Current property taxes paid annually (in dollars): \*

12. Estimated property taxes, post project completion: \*

13. Is this property in tax arrears? \*

Yes

No

14. If yes, please specify:

## Development Information

15. Please provide a detailed description of the proposed development taking place on the site. This could include building size and type, number of stories, construction materials, etc. We ask that you please attach detailed construction drawings to this application form: \*

16. Estimated construction value of the proposed development (in dollars) \*

17. Estimated construction start date: \*



18. Estimated construction end date: \*



19. Estimated number of units created: \*

20. Is the development intended to include affordable housing units? \*

Yes

No

21. If yes, how many units (in number or percentage) are expected to be deemed affordable units?

## Attachments & Additional Information

22. Do you have additional file(s) and/or document(s) that may assist the Town in making a determination for your application? This can include, but is not necessarily limited to: development plans, construction drawings, quotes/estimates, appraisals, subdivision plans, etc.

If so, please select "Yes" and email them to [austinhenderson@salisbury.nb.ca](mailto:austinhenderson@salisbury.nb.ca).

Please note that the Town may require additional documentation upon review of your application, and that a delay in sending the documents/information may result in a delay in processing of your application.

- Yes, I will send to [austinhenderson@salisbury.nb.ca](mailto:austinhenderson@salisbury.nb.ca)
- No, but I acknowledge that additional documents may be requested from me as part of the processing of my application

## Authorization

By checking this box, I confirm that I am providing digital signature for the below-mentioned signatory and that I am willing and voluntarily completing this form.

I/WE HEREBY APPLY for a grant under this program

I/WE HEREBY AGREE to abide by the terms and conditions of the Financial Incentive Program grant as specified in this application

I/WE HEREBY AGREE to enter into an Agreement with the Town of Salisbury that specifies the terms and conditions of the grant

I/WE HEREBY AGREE to abide by the terms and conditions of the Financial Incentive Program Agreement

I/WE HEREBY CERTIFY that the information contained in this application is true, correct and complete in every respect and may be verified by the Town of Salisbury by such inquiry as it deems appropriate, including inspection of the property for which this application is being made

I/WE HEREBY GRANT PERMISSION to the Town, or its agents, to inspect my/our property prior to, during, and after environmental remediation, site rehabilitation and project construction

I/WE HEREBY AGREE that the program for which this application has been made herein is subject to cancellation and/or change at any time by the Town in its sole discretion, subject to the terms and conditions specified in the program. Participants in the program whose application has been approved and who have entered into the Financial Incentive Program Agreement with the Town of Salisbury will continue to receive grant payments, subject to their Grant Agreement

I/WE HEREBY AGREE that the Town of Salisbury reserves the sole and exclusive final decision with all respects to the Financial Incentive Program and that by voluntarily submitting an application, I hereby waive the Town of Salisbury, their respective Councillors, members, directors, executives, officers, employees, and agents liable for any fine, claim, action, or otherwise that may arise with respect to the same and/or to the development in which this application is being submitted for

23. Name \*

24. Digitally read, understood, and accepted on: \*

25. Signed in (Town/City, Province) \*

26. Digital signature (please type name in full to constitute digital signature) \*

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This content is neither created nor endorsed by Microsoft. The data you submit will be sent to the form owner.

**Schedule D**  
Template Approval Letter

NAME  
ADDRESS  
MUNICIPALITY  
POSTAL CODE

DATE

Re: Residential Incentive Program Application No. XX, PID XXXXXXXX

Dear NAME:

I am writing to you on behalf of the Town of Salisbury with respect to the above-mentioned application, received on DATE, under the Town of Salisbury's Residential Development Incentive Program.

I am pleased to inform you that your project meets the eligibility criteria for element(s) of the Town's Grant Program. Subject to the execution of an agreement, based on the review of your application, we have concluded that your project is eligible for a contribution from the Town of Salisbury in the amount of:

\$XXX,XXX

The breakdown of the contribution is included as an enclosure to this letter. Any advancement of funds is subject to the execution of an agreement, and fulfilment of the same to the satisfaction of the Town.

In order to earmark funds for your project, you must accept the terms of this offer. For your convenience, an agreement has been drafted and included herein. Funds are distributed on a first-come, first-serve basis, and funds shall not be earmarked until an agreement has been executed.

We look forward to working with you to continue filling housing needs within the Town of Salisbury. Should you have any questions with respect to your eligibility and/or the agreement, please do not hesitate to contact the undersigned.

Sincerely,

**NAME**

Chief Administrative Officer (CAO)

Encl.

cc: Salisbury Town Council

**Schedule A**  
Overview of Eligible Contribution(s)

Grant Program(s)	Eligible?	Maximum Contribution
Pre-Application Grant	YES / NO	\$5,000 (this is eligible application X of 2 under this stream)
Residential Incentive Grant	YES / NO	\$XX,XXX  The application demonstrates XX units are eligible, and the application has reached the maximum of \$40,000 per project
Building and Development Permit Fee(s) Grant	YES / NO	Upon completion, the permit value of your project, estimated to be \$XX,XXX, shall be refunded
Residential Subdivision Cost-Sharing Grant	YES / NO	\$XX,XXX  The application demonstrates \$XXX,XXX is the eligible cost, rendering \$XXX,XXX the 25% contribution, which exceeds the maximum eligible under this stream, being \$150,000