

## **Housing Accelerator Fund Non-Profit Pre-Development Funding Grant (hereinafter referred to as the “Program”]**

### **1. Purpose**

The City of Fredericton’s Housing Accelerator Fund (HAF) Non-Profit Pre-Development Funding (PDF) grant program (the “Program”) provides grants to help offset expenses incurred during the proof-of-concept stage associated with developing an affordable housing project which could include both non-market rental and non-market homeownership. It is intended to reach a variety of non-profit providers, both large and small with varied levels of development experience planning to build affordable housing projects in the City of Fredericton. The grant program will help cover the costs of planning and pre-development activities and address barriers Fredericton community housing providers face in accessing capital and federal/provincial funding e.g., seed funding, green municipal funding, the sustainable Affordable Housing Fund and the CMHC Co-Investment Fund.

During the three-year Canada Mortgage and Housing Corporation (CMHC) Housing Accelerator Fund (HAF) program (2024-2026), subject to receipt of annual funding, grants of up to \$20,000 per organization, per project, are available to assist with covering the soft costs associated with the development of new affordable housing. The grant is not designed to cover all costs of developing a project to the stage of financial commitment or final project commitment. Applicants are expected to contribute to these costs and seek out other funding sources such as the Regional Development Corporation or CMHC.

**Proposal Development Funding Grants are available only to non-profit or charitable organizations to construct new housing projects in the City of Fredericton.**

The Director of Planning and Development, or designate, is responsible for administering this Program.

### **2. What is affordable housing?**

Proposals must target the development of affordable housing. In order to be considered “affordable,” the project must create basic affordable housing units that would, at a minimum, rent at or below the median market housing rents, as published by CMHC in the annual Rental Market Report, for a dwelling unit of the same type in the community.

### **3. Eligibility**

Eligible groups include community housing providers, such as non-profit housing organizations and non-profit co-operative housing associations; organizations serving Indigenous populations; and non-profit organizations and charitable community groups looking to explore affordable housing development options and are registered under applicable provincial or federal legislation.

Eligible affordable housing projects must:

- Target the creation of new affordable housing for low to moderate income households;
- Have a minimum of three (3) units;
- Have a primary residential use; and
- Be new construction or conversion from non-residential to multi-unit residential

Project may include mixed market/affordable rental projects, however a minimum of fifty percent (50%) of the units in the development must be affordable housing as defined above.

4. **Eligible activities** include, but are not restricted to, the following:

- Need and demand analysis
- Feasibility studies
- Initial analysis and risk assessment
- Preliminary financial feasibility
- Preliminary designs
- Project drawings and specifications
- Land surveys, appraisals, soil tests, environmental site assessments
- Cost estimates/quantity surveys
- Professional services – consultants, architects, engineers

Ineligible Costs include, but are not limited to:

- Costs incurred for activities undertaken before a Program commitment – including the cost of preparing the Program application
- Expenses related to construction activities including site preparation or other hard costs
- Land purchases, infrastructure, and capital assets
- Operating expenses of the applicant
- Hospitality
- Fundraising campaigns
- Legal fees
- Any expenses not related to the affordable housing project proposal

## 5. **Submission Requirements**

Grant Applicants must complete and submit a Program Application Form, and required documents, in the form attached hereto as Appendix A, to [housing@fredericton.ca](mailto:housing@fredericton.ca) **PRIOR TO** developing an affordable housing project.

The following documents must be attached to your Application Form.

- A. Overview and history of the non-profit corporation
- Applicant capacity – profile of the organization including history and experience with developing and/or managing affordable housing developments
  - Mandate and services provided
  - Articles of incorporation including any relevant corporate by-laws
  - Current list of Board of Directors
  - List of development team members and their roles
  - The number of affordable housing units your organization currently manages – if applicable

- B. Financial statements over the past five (5) years demonstrating the financial health and stability of the non-profit applicant. An exemption may be given for newly established non-profit organizations.
- C. Description of the activities to be undertaken using the grant funds.
- D. Project concept/preliminary project proposal – an overview of the proposed project that includes:
  - Narrative of the overall concept and development approach
  - Narrative and documentation to support the proposed level of affordability
  - Client groups to be served
  - Impact units will have in the community - units, size, affordability, any services provided
  - Size, design, and basic construction information about the project, if known
  - Project location or commitment that the site will be in the City of Fredericton if a location has not yet been identified
- E. Project delivery plan
  - Project timeline – estimated permit date, construction start, project completion
  - Milestones and deliverables, if available

Successful applicants must enter into a Grant Agreement with the City of Fredericton in the form of Appendix B (the “Grant Agreement”). The Grant Agreement sets out the terms and conditions of the Grant which include the grant amount, eligible expenses and reporting requirements.

**NOTE:**

- Applicants must commence within three (3) months of receipt of funds and the grant funding must be fully expended within twelve (12) months.
- Any advanced, unexpended funds at the time shall be returned to the City of Fredericton and will be used to fund other projects.
- If Applicants have not received the full 20,000 grant, any amounts not yet disbursed will be re-purposed for other projects.

## 6. Project Evaluation

Applications will be reviewed in the order they are received.

Grant requests will be evaluated using the following criteria:

- Clarity of the request
- Project concept
- Clearly identified need of the project
- Partnerships
- Feasibility and organizational capacity
- Potential of organizations/community housing sector impact

The evaluation of each application will be undertaken by the Affordable Housing Development Coordinator who will provide a recommendation to the Application Review Committee (“Committee”). Applications

with additional sources of funding, and those not yet in receipt of a grant under this program, will have priority status. The Committee, comprised of the following members, will make the final decision.

Affordable Housing Development Coordinator, Chair  
Director, Planning and Development or designate  
City Treasurer or designate

## **7. Disbursement Process**

The number of applications selected will depend on availability of HAF funding.

Funding for the grant is dependent on receipt of federal funding for the HAF. The grant may be cancelled at the sole and absolute discretion of the Director of Planning and Development where the HAF funding is depleted or revoked.

Grant Disbursement:

- All payments will be made by direct deposit only.
- Fifty percent (50%) upon signing of the Grant Agreement.
- Upon receipt of supporting document for the expenditures for the first advance; further funding will be provided based on submitted receipts.
- The final amounts will be paid out once a final report, in a form acceptable to the City of Fredericton, is received detailing activities undertaken, a description of the project to be pursued and next steps in the development process.
- A rationale must be provided if the applicant decides not to proceed with the project.

## **8. Contact Information**

Affordable Housing Development Coordinator  
housing@fredericton.ca

**Appendix A**

**Housing Accelerator Fund Non-Profit Pre-Development Funding Grant**

**Application Form**

**SECTION 1 – Applicant Information**

Name of Applicant \_\_\_\_\_

Legal Name of Applicant (if different) \_\_\_\_\_

Contact Person Name \_\_\_\_\_ Position \_\_\_\_\_

Person authorized to legal bind / sign documents on behalf of the entity: \_\_\_\_\_

Phone Number \_\_\_\_\_ Email Address \_\_\_\_\_

**Mailing Address** \_\_\_\_\_

Postal Code \_\_\_\_\_

**Organization Type**

Non-profit organization

Other incorporated entity

**Is this your first time applying for Proposal Development Funding?**     Yes     No

**SECTION 2 – Documents to attach:**

The following documents must be attached to your Application Form:

1. Incorporation Status – Attach letters patent or other incorporation documents  
Incorporated \_\_\_\_\_ Date \_\_\_\_\_
2. Financial statements over the past five (5) years demonstrating the financial health and stability of the non-profit corporation (may be waived under Section 5)  
As detailed in Section 5. **Please attach:**
3. Overview and history of the non-profit corporation as described in Section 5.
4. Project concept/preliminary project proposal – an overview of the proposed project
  - a. home ownership or rental;
  - b. new construction or conversion;
  - c. building type – apartments, single family, townhouses etc.;
  - d. number of affordable housing units;
  - e. number of market units – if a mixed income development
5. Project delivery plan
6. Other project resources, if known at the time of application
7. Description of the activities to be undertaken using the grant funding



**Note:** For mixed use developments the Pre-Development funding may only be used towards costs related to the housing units.

**CERTIFICATION**

The Applicant acknowledges, accepts and certifies that it will comply with and abide by the terms and conditions of the Program and the Grant Agreement.

The Applicant certifies that it has read and understands the requirements of the Program, and the Grant Agreement, and that the Applicant’s proposed project meet such requirements.

The Applicant certifies that that information contained in this Application Form is true, correct, and complete and that it may be verified by the City of Fredericton.

The Applicant further acknowledges and agrees that the Program is subject to cancellation and/or change at any time by the City of Fredericton, in its sole and absolute discretion.

Dated at the City of Fredericton, this \_\_\_\_\_ (day) of \_\_\_\_\_ (month),  
\_\_\_\_\_ (year).

\_\_\_\_\_  
Name of Owner or Authorized Agent

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature of Owner or Authorized Agent

I have the authority to sign on behalf of the organization named below

\_\_\_\_\_  
Name of Organization

**Submit the completed application and attachments via email to: [housing@fredericton.ca](mailto:housing@fredericton.ca)**

**FOR LOCAL GOVERNMENT USE ONLY**

**To be completed by City of Fredericton staff**

Application Number: \_\_\_\_\_

The application is/is not approved in the amount of \$ \_\_\_\_\_ payable to  
\_\_\_\_\_.

\_\_\_\_\_  
Director of Planning and Development (or designate)

Date: \_\_\_\_\_, 2\_\_\_\_