



Town of Watson Lake

Watson Lake Residential Conversion Grant Policy

#2024-04

1.0 PURPOSE

The Town of Watson Lake recognizes the need to convert properties that are currently underutilized or vacant or non-residential to residential use through the creation of dwelling units. As noted in Watson Lake's Official Community Plan, the Town has identified that there are many underutilized, vacant and non-residential properties which could be converted to residential use or brought into compliance for residential use to contribute to the Town's housing stock. This policy supports the Town's objective of increasing housing supply, beautifying the physical environment, and enhancing community sustainability.

2.0 POLICY STATEMENT

The Residential Conversion Grant aims to increase the availability of dwelling units by developing underutilized or vacant or non-residential properties for residential use, bringing non-conforming properties into compliance with zoning regulations, cleaning up and rehabilitating underutilized and vacant properties and supporting affordable and diverse housing solutions through efficient use of existing buildings and infrastructure. The goal of this policy is to provide opportunities for underutilized or vacant or non-residential properties to be redeveloped by residents to increase housing stock and encourage investment within the Town.

3.0 OCP CONTEXT STATEMENT

This policy aligns with several objectives and policies from the OCP, in that it will encourage development of underutilized properties through financial incentives and prioritize development which will increase infrastructure efficiency. As noted in the OCP action items, this policy will support the development of a municipal program for beautification along the community gateways. The adoption of this policy will provide funding to property owners to enable them to help meet the above noted goals and objectives of the OCP.

4.0 DEFINITIONS

Residential Conversion Grant: Financial assistance provided by the Town of Watson Lake to support property owners to create dwelling units on underutilized or vacant or non-residential properties.

Dwelling Unit: as defined by the Town of Watson Lake Zoning Bylaw, and fully serviced with water, sewer and electric.

Lottery: a randomized selection process used to allocate grant funds among eligible applicants who have met the necessary application criteria.

Non-conforming: failing to conform or comply with relevant planning or zoning documents.

Non-residential: properties used or zoned as other than Residential.

Town: means the Town of Watson Lake.

Underutilized: means developable land that would otherwise qualify as substantially developed, but which contains land, building and/or structures which are not being used to their full potential. Potential in this case means converting or rehabilitating to residential use through the creation of a dwelling unit(s).

Vacant: means a property, building or structure where it is clear that no one is using the property as intended, maintenance may still be occurring and there may be no clear signs of neglect. This also includes abandoned properties, buildings and structures.

5.0 DEVELOPMENT GRANTS

5.0.1 Eligible projects include the conversion of Underutilized or Vacant or Non-residential Properties that create dwelling unit(s) on underutilized or vacant or non-residential properties (e.g., replacement of abandoned single family home with dwelling unit(s), upper-story office space into apartments or upper-story industrial storage into caretaker residence, but not limited to upper-story).

5.0.2 Eligible property owners may receive a grant of up to \$40,000 per dwelling unit, up to a maximum of \$120,000.

6.0 ELIGIBILITY CRITERIA

6.0.1 The property must be located within the municipal boundary of the Town of Watson Lake.

6.0.2 Applicants must own the property.

6.0.3 The property must have been underutilized or vacant at least 12 months prior to this policy coming into effect.

6.0.4 The property and proposed development(s) must comply with the Town's Official Community Plan, Zoning Bylaw and the National Building Code.

6.0.5 Property taxes for the property must be paid and the property must be in good standing.

7.0 GUIDELINES AND PROCEDURES

7.0.1 **Application Process:** To receive a Grant as laid out in this policy, property owners must fill out the application form, provide an approved development permit for the intended use of the funding and attach all necessary documentation.

7.0.2 **Review and Lottery:** All applications will be reviewed and approved for entry into the Grant lottery by a third party. The lottery draw will take place early 2025. The Town will attempt to notify applicants of the outcome of their applications within 2 business days of the lottery closing. Successful applicants will have 10 business days to notify the Town of their intention to accept the grant. If the funds are turned down or that time has elapsed without communication from the application, the Town will then offer the grant to subsequent applicant(s) on the waitlist.

7.0.3 **Disbursement of Funds:** Grant funds will be disbursed in two installments: 75% of the grant once half of the work has been completed, as determined by the Town and at the discretion of the CAO, and the remaining 25% once work has been completed, with all required final inspection reports confirming compliance with governing codes and legislation. All grant cheques will be made payable to the applicant.

8.0 IMPLEMENTATION OF POLICY

- 8.0.1 Residential Conversion Grant applications must be accompanied by an approved development permit for the proposed development, along with the other supporting information as requested in the application.
- 8.0.2 Applications for the Residential Conversion Grant will be accepted for projects that were started after the Housing Accelerator Fund application date of January 01, 2024. The project start date will be determined by the issuance of the development permit to undertake the project.
- 8.0.3 Any developments for which funding is provided for must be completed by December 1st, 2026, which is the end date of the CMHC Housing Accelerator Fund. Developments only partially completed prior to the deadline may be eligible for prorated funding.
- 8.0.4 Applications must comply with the Towns' Official Community Plan, Zoning Bylaw, policies and other bylaws.
- 8.0.5 To receive the first disbursement of funds, the applicant must provide a cost breakdown, pictures, and list of work completed to show that half of the work has been completed.
- 8.0.6 To receive the last disbursement of funds, the application must provide a final cost breakdown, pictures and a list of the work completed. Final inspections reports will be required.
- 8.0.7 For further clarity, the information provided by applicants in Section 9.0.5 and 9.0.6 will be used by the Town to determine if the development has reached the half complete or fully complete milestones. Applicants are encouraged to meet with the Town to understand what these development milestones will be for their specific project.
- 8.0.8 If a development or building permit is revoked, cancelled, voided or amended to be outside of the eligibility criteria, the Development Grant will be considered invalid. A new application may be resubmitted in such cases.
- 8.0.9 All applicants will sign a declaration that the unit(s) they are constructing with the Development Grant are not intended to be used for short term rentals.
- 8.0.10 The Residential Conversion Grant will cover up to 100% of actual, eligible costs, to the maximum amount prescribed for each grant stream.
- 8.0.11 The Residential Conversion Grant cannot be used for the renovation of an existing unit, nor for landscaping or other improvements not directly related to the creation of a new unit(s).
- 8.0.12 Labour costs for work completed by the homeowner are not eligible for reimbursement.
- 8.0.13 Receiving a Residential Conversion Grant under this policy does not preclude an applicant from applying for and receiving different grants, subsidies or loans provided by the Town or other organizations.

9.0 LOTTERY PROCESS

- 9.0.1 Once an application is deemed complete and is accepted by the Town of Watson Lake, as described in section 10.0.4, the Applicant will be entered into a lottery to receive project funding.
- 9.0.2 The funding allocated for this project is \$400,000. If the amount requested through approved applications does not exceed \$400,000 by the time of the lottery, the Town of Watson Lake reserves the right to disburse funding to approved applicants without a lottery process.
- 9.0.3 Any remaining funding from the allocated amount described in Section 9.0.2 may be used by the Town as outlined in Section 10, used to support additional projects under the Housing Development Grant Policy, or a combination of the two, of which will be at the discretion of the Town.

10.0 USE OF FUNDING BY TOWN OF WATSON LAKE

- 10.0.1 If after the first intake of applicants for funding is complete there are funds remaining the Town reserves the right to use any portion of the remaining grant fund to conduct cleanups of properties that meet the eligibility criteria of this Grant.
- 10.0.2 Projects undertaken by the Town are exempt from the eligibility criteria of Sections 6.0.2 and 6.0.4.
- 10.0.3 Projects should be identified either through compliance inspections or community complaints and therefore be focused on non-compliant properties.
- 10.0.4 Projects may not be coupled or stacked with other projects approved under this Grant.
- 10.0.5 Projects should focus on preparing properties for potential residential development, while also considering enhanced community value and sustainability.
- 10.0.5 Projects undertaken by the Town should be done so through a cost recovery model, either through adding the cost to the property tax bill, applying a lien, or any other means deemed appropriate by the Town.
- 10.0.6 The funds for such a project may not be used to support permanent staffing costs but may allow hiring temporary services such as contractors or consultants to achieve specific project objectives.

11.0 PROGRAM MONITOR AND REVIEW

This policy will be monitored and evaluated regularly by the Town administration. Adjustments to the Grant amounts, eligibility criteria, and program goals may be made based on feedback from stakeholders, funding availability, and community needs.

12.0 GENERAL INFORMATION

- 12.0.1 Applications can be obtained by the Town of Watson Lake by email at cdo@watsonlake.ca, in person at the Town Office located at 710 Adela Trail, Watson Lake, or on the Town website at www.watsonlake.ca.
- 12.0.2 Completed application forms are to be returned to the Town of Watson Lake in person, by email to cdo@watsonlake.ca, or by regular mail.

12.0.3 Questions about the application can be directed to Graham White, Project Manager, Graham@elevatoryukon.com.

12.0.4 An application for is considered complete when the following documents and requirements have been met:

- A completed and signed Residential Conversion Grant application form.
- An approved Development Permit issued by the Town of Watson Lake.
- Other supporting documents and information as requested in the Development Grant application.

12.0.5 Upon approval the applicant will be notified and forwarded a copy of the application and approval conditions.

13.0 TERM OF AGREEMENT

13.0.1 The term of a Development Grant agreement cannot exceed December 1st, 2026.

13.0.2 Terms of the agreement will be reviewed on a yearly basis. Should no action be taken toward fulfilling the agreement by the applicant (e.g., no development activity), the Town of Watson Lake reserves the right to revoke the agreement with written notice.

POLICY TITLE: Watson Lake Residential Conversion Grant Policy

POLICY #: 2024-04

EFFECTIVE DATE: 2024-12-17

RESOLUTION #: 2024-025-202



Lauren Hanchar – Mayor



Tiffany Lund – Municipal Clerk