



TOWN OF PASADENA

AFFORDABLE & MISSING MIDDLE HOUSING DEVELOPER GRANT PROGRAM AGREEMENT

This Agreement is made this ____ day of ____, ____, by and between the Town of Pasadena (hereinafter referred to as "the Town") and ____ (Participant's Full Name or Organization Name), residing at ____ (Participant's Address) (hereinafter referred to as "the Participant").

WHEREAS, the Town has established the Pasadena Affordable & Missing Middle Housing Developer Grant Program to promote sustainable growth and increase the availability of diverse, affordable housing types within the community; and

WHEREAS, the Participant proposes to construct one or more eligible multi-unit residential buildings within the Town of Pasadena and has applied for a financial incentive under the Pasadena Developer Grant Program, subject to a maximum total grant of \$250,000 per applicant across all applications; and

WHEREAS, the Participant has committed to meeting the Affordability Requirements of the program, whether through long-term rental at or below the Newfoundland & Labrador 10,000+, Private Apartment Average Rents for the relevant Bedroom Type for the most recent calendar year, as published annually by CMHC in the Rental Market Survey for Newfoundland and Labrador, or through sale at a price demonstrated by the Participant to achieve affordability and as approved by the Town;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. PROGRAM PARTICIPATION:

- The Participant agrees to adhere to all the terms and conditions of the Pasadena Affordable & Missing Middle Developer Grant Program as outlined by the Town of Pasadena.
- The Participant confirms they are the registered owner(s) of the property or properties listed in Section 2 of this agreement or have written authorization from the registered owner(s).
- The Participant understands that eligible building types are Duplexes (Semi-Detached), Townhouses (multiplex, rowhouse), and Apartment Buildings. Detached single-family homes and apartment buildings larger than 12 units are not eligible.
- The Participant understands that a building permit must not have been issued prior to the date of application to the program.

2. DEVELOPMENT DETAILS & GRANT AMOUNT:

Grant amounts are calculated as follows:

- \$30,000 Base Grant (per building)
- \$8,000 Per-Unit Grant (for each additional unit per building, excluding the first unit)
- \$12,000 Top-Up Grant for buildings with 5 or more units
- \$5,000 Top-Up Grant for each ‘accessible-ready’ unit or \$8,000 for each ‘enhanced accessibility’ unit beyond code requirements

The Participant agrees to completion of a housing development with the following details:

Building Type	Units	Grant Per Building	Minimum Number of Affordable Units	Development Details (Input quantity of each building type)	Accessible Units Beyond Code Requirements (Input quantity and accessibility standard)
Duplex (Semi-Detached)	2	\$38,000	1		
Townhouse (i.e. multiplex, rowhouse) or Apartment Building	3	\$46,000	1		
	4	\$54,000	1		
	5	\$74,000	1		
	6	\$82,000	2		
	7	\$90,000	2		
	8	\$98,000	2		
	9	\$106,000	2		
	10	\$114,000	3		
	11	\$122,000	3		
	12	\$130,000	3		

Project property address(es): _____

The Town agrees to award the following grant amount to the Participant, contingent upon compliance with all Program Conditions:

Base Grant <i>Grant Per Building x Number of buildings for each Building Type</i>	\$
Accessible Unit Top-Up (if applicable) <i>\$5,000 for accessible-ready OR \$8,000 for enhanced accessibility per unit beyond code requirements</i>	\$
Total Grant Amount	\$

3. CONSTRUCTION & DISBURSEMENT:

- The project must be completed within 24 months of the date of building permit issuance.
- Once construction is complete, the Applicant will submit an *Application for Occupancy Permit* to the Town, at least 1 week before tenant/owner occupancy.
- Town staff will schedule a walk-through to confirm all program requirements are met. The occupancy permit will be issued upon confirmation of compliance.
- The Grant amount will be dispersed as follows:

For-profit Applicants

- Funds will only be made available once construction is completed

If units are rented:

- First 20% installment is granted upon occupancy permit approval and submission of rental agreement confirming compliance with the Affordability and Long-Term Rental requirements.
- Each year thereafter, the Applicant must confirm continued long-term tenancy and affordable rental rate to receive subsequent 20% installments (100% of grant amount disbursed over 5 years).

If units are sold:

- 100% of grant is disbursed upon occupancy permit approval and submission of sale agreement which demonstrates compliance with the Affordability requirements (see Program Conditions below).

Non-profit Applicants

- Upfront disbursement of 50% of total grant amount available upon signature of agreement (funds available prior to construction start)
- Remaining 50% of total grant amount disbursed upon occupancy permit approval and confirmation that Affordability and Long-Term Rental (as applicable) requirements have been met.

4. PROJECT COMPLIANCE:

- **Zoning Compliance:** The Participant's proposed development must comply with the Town of Pasadena's Development Regulations.
- **Building Standards:** All construction must meet or exceed the National Building Code of Canada latest edition.
- **Town Site Visits:** The Participant agrees to submit to site visits by the Town to ensure compliance with the agreed-upon terms and building standards.
- **Program Conditions:** The Participant agrees to comply with all Program Conditions including the General Conditions, Affordability Requirements, and Long-Term Rental Requirements.

5. AFFORDABILITY REQUIREMENTS:

A minimum number of units in each building must be affordable as defined in the table above. Affordability is defined as follows:

For units that are rented:

- **Monthly rent** (excluding utilities) must not exceed the *Newfoundland & Labrador 10,000+, Private Apartment Average Rents* for the relevant *Bedroom Type*, as published annually by CMHC in the Rental Market Survey for Geography: Newfoundland and Labrador, latest year edition, and found at <https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-data/data-tables/rental-market/rental-market-report-data-tables>

For example, for the 2025 calendar year, the average rates are:

	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom
Max Rent	\$895	\$1,002	\$1,208	\$1,201

OR;

- Total shelter costs are less than 30% of the household's before-tax income (for renters, total shelter costs include rent and utilities) OR;
- Rental rates are in compliance with the criteria of another government or non-governmental agency's affordable housing program (i.e. CMHC, NLHC, FCM, etc.)

Additionally,

- Where utilities are included in the rental agreement, utility charges to the tenant may not be more than: $[(\text{Floor Area of Unit}) \div (\text{Total Floor Area of Building})] \times \text{Total Utility Costs for the property.}$
- The initial rental rate may be increased by no more than two percent (2.0%) per year, provided any such increase complies with the notice requirements and limitations set out in the *Residential Tenancies Act*.
- Affordability must be maintained for at least 5 years.

- If tenancy changes within the 5-year period, the rental rate may be redetermined based on the most recent CMHC Rental Market Survey. The 2% annual increase limitation then applies to the new rate for the new tenant.

For units that are sold:

- Dwelling unit **purchase prices** can be demonstrated by the Applicant as achieving affordability. The onus is on the Applicant to make a reasonable argument for affordability. Rationale shall be presented to the Town Council, and a decision will be made. Examples of affordability in a resale context include, *inter alia*:
 - Total shelter costs are less than 30% of the household's before-tax income (for homeowners, total shelter costs include mortgage payments, property taxes and condominium fees, and utilities) OR;
 - Demonstration that the purchase price is set below market appraisal; OR
 - Purchase prices are in compliance with the criteria of another government or non-governmental agency's affordable housing program (i.e. CMHC, NLHC, FCM, Habitat for Humanity, etc.).

6. LONG-TERM RENTAL REQUIREMENTS

Any units that are rented must be used exclusively as long-term rentals for a minimum of 5 years from the date of occupancy permit issuance. Short-term rentals are prohibited during this 5-year period (including Airbnb, VRBO, or any other short-term rental arrangement).

As described in Section 3, for-profit Participants must provide the Town of Pasadena with signed rental agreements demonstrating long-term tenancy each year (before the anniversary date of when the occupancy permit was issued) to receive all grant disbursements (20% per year, 100% of the grant to be disbursed after 5 years).

7. ACCESSIBILITY TOP-UP GRANT ELIGIBILITY

Many of the designs in the CMHC Housing Design Catalogue provide an option for 'accessible-ready' or 'enhanced accessibility' units. These are described in the [User Guide](#) (Section 6, page 16). Applicants must demonstrate that they are incorporating the accessible-ready or enhanced accessibility units as provided in the catalogue, or meeting the same or higher accessibility criteria within their own design to be eligible to receive a Top-Up Grant (\$5,000 for accessible-ready or \$8,000 for enhanced accessibility or beyond).

The Buildings Accessibility Regulations under the Buildings Accessibility Act of NL requires at least one accessible unit in every 10 residential units once a building has more than 4 total residential units. The Top Up Grant does not apply to the accessible units required under these regulations - only steps taken to increase accessibility of additional units beyond what is required are applicable.

8. CLAWBACK PROVISIONS:

If program requirements are violated prior to grant disbursement, the Applicant will be deemed ineligible for the Pasadena Developer Grant moving forward.

If program requirements are violated after the grant has been fully or partially disbursed, no further disbursements will be provided and the disbursed grant amount becomes immediately due and payable as a debt from the Applicant to the Town, and shall attract interest at a rate equal to the Royal Bank of Canada prime rate (determined on the date of violation, corresponding to an anniversary date of occupancy permit issuance) + 5% per annum until repaid in full.

9. MISCELLANEOUS:

- **Entire Agreement:** This agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral.
- **Amendments:** This agreement may be amended only by written agreement signed by both parties.
- **Disclaimer:** The Participant is solely responsible for ensuring the development meets all legal and regulatory requirements.
- **Consultation:** The Participant agrees to consult directly with the Town of Pasadena for the most current program guidelines and application procedures.

10. SIGNATURES:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written above.

THE TOWN OF PASADENA

Signature: _____

Name: _____

Title: _____

Date: _____

PARTICIPANT

Signature: _____

Printed Name: _____

Date: _____

Organization: _____