

# HALIFAX

P.O. Box 1749  
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**Item No. 14.1.3**  
**Halifax Regional Council**  
**November 14, 2017**  
**December 5, 2017**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed by



**SUBMITTED BY:**

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Jacques Dubé, Chief Administrative Officer

**DATE:** October 31, 2017

**SUBJECT:** Incentives for Affordable Housing Projects

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## **ORIGIN**

On March 7, 2017, Regional Council passed the following motion:

*That Halifax Regional Council request a staff report regarding opportunities, best practices and financial implications of considering:*

- 1. Full or partial waiver of HRM permits and fees related to construction of affordable housing projects;*
- 2. Entering into multi-year tax relief that aligns with the life of the affordable housing component of a fully affordable or mixed market/affordable housing project subject to Section 73 of the Halifax Charter; and*
- 3. Exploring with Halifax Water alignment of their capital fee contributions with municipal and provincial housing goals to develop a full or partial reduction for affordable housing projects.*

## **LEGISLATIVE AUTHORITY**

See Attachment A

## **RECOMMENDATION**

It is recommended that Halifax Regional Council adopt the amendments to By-law B-201, the Building By-law, as set out in Attachment C, to exempt building permit fees for developments proposed by not-for-profit organizations or charities that include affordable units.

## **BACKGROUND**

The non-profit housing sector (exclusive of co-ops, group homes, transitional housing and emergency housing) in HRM is composed of approximately 400 units that are owned and managed by fifteen non-profit housing organizations. In the past 25 years, there has been little expansion of the non-profit housing stock in the Municipality largely due to the elimination of long-term federal housing investments.

For the purposes of this report, housing is considered affordable when no more than 30% of low and moderate income households' gross income is spent on housing. This includes the cost of mortgage rent, monthly heat (includes gas, oil and electricity), water, and utilities.<sup>1</sup>

### **Housing Trust Proposal**

Staff understand that Council's request for this report is in response to a letter from the Housing Trust of Nova Scotia (Housing Trust). The Housing Trust is a registered non-profit organization that is striving to provide quality affordable housing in Nova Scotia. It is planning to develop two mixed use residential and commercial buildings at 2183 and 2215 Gottingen Street, totalling 243 units. These projects were approved by the Halifax and West Community Council in February 2015 through a development agreement and include site specific design and land use requirements such as requirements for two and three bedroom units including townhouse style units along Maitland Street.

The Housing Trust presents a different approach to providing affordable housing in HRM that integrates non-market units, where rents are below the market rate and are considered affordable (50%) as well as market rate units (50%) into their design. Market-rate rent offsets the cost of the affordable units, sustaining operations by ensuring there is a profit to reinvest in the property and anonymity for their tenants. The Housing Trust is currently in its fifth year of a fifteen-year agreement with Housing Nova Scotia. As per the agreement, 50% of the non-market units are committed to be rented to modest income families.

### **Previous Council Support for Affordable Housing**

Over the past several years, there has been support from Regional Council for affordable housing initiatives. In October 2013, Regional Council endorsed HRM's formal participation with the Housing and Homelessness Partnership. The partnership is made up of various levels of government and organizations ranging from CMHC to Investment Property Owners of Nova Scotia to IWK Health Centre. The partnership shares the goal of working "to end housing poverty and homelessness in the Halifax Region".

In December 2016, Regional Council endorsed the affordable housing targets established by the Housing & Homelessness Partnership. The targets include increasing the number of affordable units to 5,000, though new construction and the preservation and upgrades to existing units. In addition, the Halifax Economic Growth Plan encourages HRM's involvement in the Partnership and includes direction to increase the supply of non-market housing as a proportion of total HRM households.

The 2014 Regional Municipal Planning Strategy also supports affordable housing initiatives. Specifically, policies S-32 and S-34 indicate the following regarding financial support:

- S-32: HRM may consider partnerships or financial support for housing organizations
- S-34: HRM shall investigate other means of supporting affordable housing including reducing or waiving of fees.

### **Permit Fees**

Municipalities across Canada charge a variety of fees for new residential developments or renovations to existing buildings. These fees are intended to offset costs related to processing the permit application, mandatory inspections for National Building Code compliance and providing access to central sewer and water services. The extent to which the fees recover the full cost of service is at the discretion of the Municipality through the development of fee policies and in accordance with legislative requirements.

There are various charges and permits that are required when developing a building in HRM. These

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<sup>1</sup> Housing and Homelessness Partnership - Affordable Housing Working Group – 5 Year Targets, 2016

include building permits, development permits, plumbing fees, occupancy permits, solid waste charges and streets and services fees (see Attachment D). Of these different charges and permits, the building permit fee can often be the most costly. Fees collected through building permits account for approximately 1/3 of the revenues collected from Planning and Development. In the 2016-17 fiscal year, approximately \$3.9 million dollars was collected through building permit fees.

The two Housing Trust developments provide a relevant example to show the costs of HRM's building permit fees. An estimated break down of the building permit fees for the Housing Trust developments are:

2183 Gottingen St. = \$ 110,181  
2215 Gottingen St. = \$ 117,700  
Total = \$ 227,881

Council should be aware that the Planning and Development (P&D) department is undergoing a fee review. As indicated in the 2016 staff report<sup>2</sup> concerning Phase I of the fee review, planning and development fees have not been updated or rationalized in many years. Currently, there is no P&D Fee Policy to guide the establishment of fees. Phase II of the fee review is currently underway, with the goal of establishing a cohesive fee policy based on a clear set of common principles, tied to a renewed performance management framework, and resulting in fee rationalization.

### **Property Tax**

Property tax is the main revenue source for most municipalities and is generally responsible for covering the services necessary for running a city. Property tax accounts for nearly 80% of the operating budget for HRM and is collected at different rates depending on the location of a property or the type of use. For example, the Housing Trust developments are both located in the Urban General Area and are taxed at a rate of \$0.662 per \$100.00 of the assessed value of the properties.

HRM regularly provides single year tax exemptions that converts the commercial rate to the residential rate and provides a reduction in the residential rate ranging from 25% to 100% for not-for-profit organizations. However, Subsection 89(6) of the *HRM Charter* does not allow the Municipality to enter into multi-year tax exemptions. Several non-for-profit organizations have suggested that the need to re-apply for tax exemption on an annual basis reduces predictability for long term planning and, as a result, cannot be used to support further financing from banks and other lenders.

For the 2016-17 fiscal year, a tax exemption of 25% was provided to the Housing Trust property at 2183 Gottingen Street. However, a request for tax exemption for the Housing Trust property at 2215 Gottingen Street was denied as the property is currently used as a commercial parking lot and thus no longer eligible for tax exemption.

### **Regional Development Charge**

In April 2015, to maintain and upgrade central water and waste water infrastructure and water and waste water treatment facilities, the Municipality, on behalf of Halifax Water, began collecting a Regional Development Charge for all new residential construction projects. The fee is \$2,740.84 per unit in a multiple unit dwelling. Based on the proposed number of units, the Regional Development Charge for the proposed Housing Trust developments are as follows:

2183 Gottingen St. = \$339,273  
2215 Gottingen St. = \$375,696  
Total = \$714,969

The Regional Development Charge is set by the Nova Scotia Utility and Review Board and requires their approval for any amendments or changes.

### **Other Financial Support Provided by HRM**

HRM supports the non-profit housing sector through the Community Grants Program, which provides grants to non-for-profit organizations and charities including those that provide secure, appropriate and affordable

<sup>2</sup> <http://legacycontent.halifax.ca/council/agendasc/documents/160802ca1412.pdf>

housing options. The program provides only project specific grants and does not fund recurring operating expenses or any operating expenses assigned to the project. The scope of the program is quite large and includes 8 funding categories of which housing is one. The total budget of the program is \$500,000 annually.

## **DISCUSSION**

Council's motion requests that staff explore options to provide financial support to development that includes affordable housing units through:

1. waiving or partial waiving of permit fees;
2. multi-year tax relief; and
3. full or partial reduction of the Regional Development Charge

The following sections review the above items and outline both short and long term actions for Council's consideration.

### **1. Full or partial waiver of HRM permits and fees related to construction of affordable housing projects**

Review of practices from other municipalities reveals that fee exemptions for affordable housing projects are fairly common. While permit fees represent a small fraction of the total cost of development, relief from fees can be helpful in the early stages of project development and help leverage funding from other levels of government or private parties. Approaches adopted by other jurisdictions can be summarized into three categories:

- Full waiver: permit fees are waived 100%.
  - The City of Vancouver, British Columbia, waives permit fees for all social housing projects and some for-profit rental housing projects where at least 30% of the dwelling units are considered affordable.
  - Toronto, Ontario, waives building permit fees for development by non-profits that include affordable housing and will consider waiving permit fees for for-profit developments where at least 20% of the residential area is allocated for affordable housing.
- Partial waiver: a portion of the permit is waived depending on the number of affordable units
  - The City of Grand Prairie, Alberta allows the waiving of permit fees, levies or securities that apply to affordable housing projects, but only applies to the units that are considered affordable.
- Deferral: Permit fees are waived until rents can be collected or after a set amount of years.
  - The City of Cambridge, Ontario allows building permit fees for developments that provide affordable housing to be waived until 20 years after the building permit has been issued or immediately after the project no longer meets their criteria for affordable housing.
  - The Town of Bracebridge, Ontario allows permit fees to be differed until the development is deemed completed and rents can be collected.

There are several pros and cons to each of the above approaches. For example, the option to defer fees should result in no loss of revenue, while providing financial leverage for projects at the early stages of the developments before rents are being received to provide useable cash flow. However, such an approach may be difficult to monitor and can be problematic when collecting fees as organizations dissolve and property changes ownership. In addition, there is no legislation that would enable HRM to defer building permit fees.

Partial waiving also has several benefits as it ensures the developer is only credited for the actual affordable units that are provided as part of the development. However, partial fee waivers may not encourage mixed affordable and market developments that have the potential to be more self-sustaining than 100% affordable buildings. A partial waiving system can also be more onerous to administer and may create

longer processing times. Further, in comparison to other Canadian cities, HRM's permit fees are relatively low and a partial waiver may not provide a meaningful incentive.

A full waving of fees has the largest impact to HRM's budget, but allows the Municipality to contribute directly to incentivize building or renovating affordable housing units. Waiving fees allows the developer a reduction in the cost of the development and a municipal contribution can be used to leverage further financial support. In addition, waiving fees is relatively easy to administer.

## **2. Entering into multi-year tax relief that aligns with the life of the affordable housing component of a fully affordable or mixed market/affordable housing project subject to Section 73 of the *Halifax Charter***

As noted in the Background section of this report, multi-year tax exemptions provide advantages when applying for financing with organizations such as CMHC. Section 89(6) of the *HRM Charter* does not allow HRM to enter into multi-year tax exemptions. In addition, annual applications help provide transparency and accountability on the use of public funds.

Although tax exemptions can only be provided on an annual basis, there are clear guidelines that establish if a property is eligible for an exemption. Most not-for-profit organizations will receive a tax exemption on an annual basis as long as they re-apply and the nature of the organization or land use has not changed since the previous year. As such, staff advise that it may be beneficial to provide a detailed explanation to CMHC regarding HRM's tax exemption approach and history and how this may serve the same purpose of a multi-year tax exemption in terms of predictability.

It is important to note that HRM has requested that the Province amend the *HRM Charter* to allow for a special tax rate that will allow not-for-profits to be taxed a lower rate depending on list of variables. Pending the amendment to the *HRM Charter*, such a program could assess the organization's ability to pay tax and an overall minimum and maximum tax fee for not-for-profits determined.

Outside of the tax exemption process, Section 73 of the *HRM Charter* provides the ability to create a housing agreement with CMHC or Housing Nova Scotia to establish a fund to support affordable housing projects. Further discussion is required between HRM staff, Housing Nova Scotia and CMHC to determine how such an agreement would be formed and funded.

## **3. Exploring with Halifax Water alignment of their capital fee contributions with municipal and provincial housing goals to develop a full or partial reduction for affordable housing projects**

As noted in the Background section, the Regional Development Charges are fees that are established by the NSUARB. Further, the NS *Public Utilities Act* does not permit socio-economic rate making and as such Halifax Water has no ability to adjust Regional Development Charges, Capital Cost Contributions, rates for water, wastewater, stormwater service, or any of the miscellaneous charges and fees established under the HRWC Rules and Regulations.

As an alternative, Council could direct staff to establish a grant to offset capital fee contributions that would apply specifically to new developments that provide affordable housing units. Such a grant would require further analysis to determine the financial viability and the criteria to be applied. Further, a new Administrative Order would be required to create such a grant program. The option of creating a new grant should also be assessed against other types of financial incentives, such as the housing agreement referenced above. As such, staff advise that more research, analysis and consultation with other business units is required before advice concerning such an approach can be provided to Council.

### **Amendment to By-law B-201**

#### Waive Building Permit Fees

The construction stage for an affordable housing development is especially challenging as it can be more difficult to secure large loans from traditional financial institutions. Reducing cost is also integral to ensuring the units can remain affordable. Consequently, it is timely to provide financial support at the early stages of development as this helps support the project when expenses are high and there is little to no revenue being received. In recognition of these challenges, staff recommend an amendment to By-law B-201 to waive building permit fees.

In reviewing the different forms of fee exemption, staff concluded that waiving building permit fees is a simple and relatively low cost way of supporting affordable housing developments in the short term. The full waiver, instead of a partial waiver, was determined as the optimal approach as it provides financial leveraging for affordable housing projects, whether they are solely affordable or mixed market, and is straightforward to administer. In addition, since Regional Development charges are set by the UARB and cannot be waived, a partial waiver of building permit fees may not provide a meaningful incentive.

Attachments B and C contain proposed amendments to By-law B-201 Respecting the Building Code. The proposed amendments permit the full waiver of the fees for construction, demolition, additions, renovations, repairs and attached signs for developments by not-for-profit organizations, where at least 25% of floor area is dedicated to affordable housing, and they have entered into an agreement or have received funding from Housing Nova Scotia or CMHC. The proposed amendments reference both Housing Nova Scotia and CHMC to leverage municipal incentives and ensure projects include an affordable housing component. This exemption would apply to the proposed Housing Trust development (fees of \$228,000±) and other pending renovation projects.

Over the past ten years HRM has collected approximately \$3,350 through permit fees from not-for-profit affordable housing projects. These fees are primarily a result of minor repairs to existing buildings. When broadening the scope to all forms of supportive housing such as emergency shelters and transition housing, but excluding co-ops, the amount of permit fees collected increases to approximately \$88,000. This accounts for some building construction including the Shelter Nova Scotia building at the corner of Gottingen Street and Cunard Street, but is still primarily comprised of minor repair work.

Although permit fees from affordable housing and transitional housing has comprised a small part of the overall revenue collected through permits, the impact of a full waiver of building permit fees for affordable housing projects is difficult to assess. For instance, such applications may increase if fees are waived, especially in light of the recent announcement from the federal government to fund affordable housing initiatives.

#### Housekeeping Amendments

In addition to language concerning waiving fees, staff are also recommending several housekeeping amendments to By-law B-201 as follows:

- add a header before section 1;
- change the header for subsection 2 from “definitions” to “interpretation” so it is consistent with other by-laws of the Municipality; and
- put the definitions in alphabetical order.

### **Longer Term Actions**

Although the waiving of building permit fees will provide some support to affordable housing projects, staff acknowledge that the limitations of annual tax exemptions and the significant cost of the Regional Development charge can still be deterrents to affordable housing development. There are also several other matters that can be considered a burden to affordable housing development, including outdated land use regulations that may restrict the location of certain types of residential uses. However, such items require further analysis and discussion with affordable housing providers, other levels of government and the Housing and Homelessness Partnership to ensure that HRM is leveraging its limited resources to provide the most effective means to support affordable housing.

In the coming months, staff will be returning to Council with a report that discusses further means by which the Municipality could support affordable housing. This report will touch on municipal initiatives already underway and address how the Municipality can most effectively contribute to the 5-year affordable housing targets referenced in the Background section of this report.

### **Conclusion**

Housing developments can be costly endeavours which can be even more challenging when incorporating affordable housing units. The proposed amendment to By-law B-201 to waive building permits fees is an important step in providing support to affordable housing projects. In addition, staff will continue to seek meaningful ways for the Municipality to support affordable housing developments by continuing to work with the Housing and Homelessness Partnership towards the goal of ending housing poverty and homelessness in HRM.

### **FINANCIAL IMPLICATIONS**

The proposed amendment to By-law B201 to waive building permit fees for not-for-profit affordable housing projects will reduce the revenues collected from building permits. However, it is anticipated that the loss will be relatively small – historically less than \$10,000 per year, excluding the occasional large project – and can be absorbed through the existing operating budget.

The proposed affordable housing project at 2183 and 2215 Gottingen Street, which would qualify for the building permit exemption under the amended by-law, would result in an estimated \$228,000 reduction in permit revenues to HRM. This impact could occur late in the 2017-18 fiscal year or in 2018-19 and would need to be absorbed in the annual operating budget.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendation contained within this report. As noted earlier, there are financial implications associated with the recommendation to amend By-law B-201, however, the permit exemptions are limited to affordable housing developments by not-for-profit organizations or charities, so the number of exemptions will be limited.

### **COMMUNITY ENGAGEMENT**

In preparing this report, staff have held discussion with the Housing Trust and the Housing and Homelessness Partnership.

### **ENVIRONMENTAL IMPLICATIONS**

None identified.

### **ALTERNATIVES**

1. Regional Council may choose to approve the proposed recommendation subject to modifications. Such modifications may require a supplementary report.
2. Regional Council may choose to refuse the proposed recommendation contained in this report.

**ATTACHMENTS**

- A. Legislative Authority
- B. Proposed Amended By-law (Showing Proposed Changes)
- C. Amending By-law B-203
- D. Permits Fall 2016 Pamphlet

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

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## **Attachment A– Legislative Authority**

*Building Code Act*, Part 7, Clause 1(c) – “The council of the municipality may pass by-laws not inconsistent with this Act or the regulations made by the Minister requiring the payment of fees on applications for an issuance of permits and prescribing the amounts thereof”

*Halifax Regional Municipality Charter (“HRM Charter”)*, Part 3, Clause 73(b) – “The Municipality may enter into and carry out agreements with the Minister of Community Services or Canada Mortgage and Housing Corporation with respect to housing projects, or any body corporate or agency having similar objects to Canada Mortgage and Housing Corporation with respect to projects pursuant to the National Housing Act (Canada);

*HRM Charter*, Part 3, Clause 79 (1)(av) “The Council may expend money required by the Municipality for a grant or contribution to...

- (v) any charitable, nursing, medical, athletic, educational, environmental, cultural, community, fraternal, recreational, religious, sporting or social organization within the Province,
- (vii) a registered Canadian charitable organization”

*HRM Charter*, Part 4, Clause 89 (1) – “The Council may, by policy, exempt from taxation, to the extent and under the conditions set out in the policy

- (a) property
  - (i) of a named registered Canadian charitable organization, and
  - (ii) that is used directly and solely for a charitable purpose;
- (b) property of a non-profit community, charitable, fraternal, educational, recreational, religious, cultural or sporting organization if, in the opinion of the Council, the organization provides a service that might otherwise be a responsibility of the Council;
- (c) the buildings, pump stations, deep well pumps, main transmission lines, distribution lines, meters and associated plant and equipment of a municipal water utility.”

*HRM Charter*, Part 4, Clause 89 (6) – “A policy made pursuant to this Section has effect in the fiscal year following the fiscal year in which it is published, unless the policy sets a different effective date, including an effective date retroactive to the beginning of the current fiscal year.”

**Attachment B  
(Showing Proposed Changes)**

**HALIFAX REGIONAL MUNICIPALITY  
BY-LAW NUMBER B-201  
RESPECTING THE BUILDING CODE**

**BE IT ENACTED** by the Council of the Halifax Regional Municipality under the authority of the Building Code Act as follows:

**Short Title**

1. This By-law shall be known as “By-law B-201” and shall be cited as the “Building By-Law”.

**Definitions-Interpretation**

2. (1) Unless otherwise defined herein, definitions contained in the Building Code Act, Nova Scotia Building Code Regulations, and Nova Scotia Building Code also apply to this By-law.

(2) In this By-law

(a) “Authority having Jurisdiction” means any person appointed as a Building Inspector by the Council of the Halifax Regional Municipality;

(~~d~~ **aa**) “CMP” means a Construction Management Plan prepared in accordance with Administrative Order 2016-003-ADM;

(b) “Core area” means that portion of the Halifax Regional Municipality for which the Municipality has assumed responsibility for maintenance of public streets and is more particularly described in Agreement No. HRM-01 between the Halifax Regional Municipality and the Minister of Transportation & Public Works which became effective on June 24, 1996;

**(ba) “Non-profit organization” includes:**

(i) a society incorporated pursuant to the *Societies Act*, R.S.N.S.1989 c.435, as amended,

(ii) a non-profit association incorporated pursuant to the *Co-operative Associations Act*, R.S.N.S.1989 c. 98, as amended,

(iii) a non-profit association to which the *Co-operative Associations Act* applies,

(iv) a not-for-profit corporation incorporated pursuant to the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23, and

(v) a non-profit organization otherwise incorporated pursuant to an Act of the Nova Scotia Legislature;

**(bb) “Registered Canadian Charitable Organization” means a charitable organization registered pursuant to the Income Tax Act (Canada) and the regulations made pursuant to that Act; and**

(c) “Temporary Building” means a building, or part thereof, which because of its nature will exist for a specified period of time as set out in the occupancy permit, and includes a tent, a portable office, and any other building referred to in 1.4.1.12.(1) of the Nova Scotia Building Code Regulations; **and.**

## Application

3. This bylaw shall apply to the entire Halifax Regional Municipality.

## Building Permit Application

4. (1) In addition to the requirements in the Nova Scotia Building Code Regulations, an application for a building permit shall include plans as set forth in:

(a) Appendix-A: Residential projects, except decks and accessory buildings, up to and including four units,

(b) Appendix-B: Leasehold improvements or alterations,

(c) Appendix-C: New commercial/industrial and multi-tenant residential projects,

(d) Appendix-D: Fences exceeding 6.5 feet (2m) in height

(2) Permit fees shall be paid as prescribed in Bylaw F-200.

(3) The Municipality may at its discretion, refuse to accept or process any application for which the required plans, information or fees have not been submitted.

(4) No permit shall be issued until the appropriate fees have been paid.

(5) Where an application has not been approved within 6 months after the application has been made, the application shall be canceled and 75% of any fees paid shall be refunded.

(6) The Halifax Regional Municipality is exempt from the payment of building permit fees.

(7) Notwithstanding subsection (2), within the Barrington Street Heritage Conservation District pursuant to By-law No. H-500, applications for additions, renovations, repairs and attached signs are exempt from the payment of building permit fees.

(8) Notwithstanding subsection (2) but subject to subsection (9), applications for construction, demolition, additions, renovations, repairs and attached signs are exempt from the payment of building permit fees, providing:

(a) the applicant is a Non-Profit Organization or a Registered Canadian Charitable Organization;

(b) the land that is the subject of the application is solely owned by one or a combination of the following: the applicant, the Municipality, the Provincial Government, the Federal Government, or an agent of the Provincial or Federal Government;

(c) the applicant has either

(i) executed an agreement respecting affordable housing for a minimum of twenty-five percent (25%) of the total floor area of the development with

(A) the Province of Nova Scotia, including Housing Nova Scotia, or

(B) the Government of Canada, including Canada Mortgage and Housing Corporation, or

(ii) received funding respecting affordable housing for a minimum of twenty-five percent (25%) of the total floor area of the development from

(A) the Province of Nova Scotia, including Housing Nova Scotia, or

(B) the Government of Canada, including Canada Mortgage and Housing Corporation; and

(d) the application relates to property that is the subject of the executed agreement or received funding.

(9) To be eligible for an exemption from the payment of building permit fees pursuant to subsection 8, the Non-Profit Organization or the Registered Canadian Charitable Organization shall, as of the date of the application, have fully paid all taxes or all instalments or all interim payments due to the Municipality.

### **Demolition Permits**

5. (1) An application for a Demolition Permit shall include proof of \$2 million public liability insurance coverage.

(2) The proof of liability insurance coverage may be waived for the demolition of a single unit dwelling, a semi-detached dwelling and any buildings accessory thereto.

(2A) An application for a Demolition Permit shall include a CMP.

(3) An application for a demolition permit shall include a description of the location or locations where the demolition debris will be disposed.

(4) Immediately following demolition, the owner shall clean the property and remove all debris or other material to ensure the site conforms to Part XIII of the Halifax Regional Municipality Act.

### **Building Permits**

6. (1) A building permit may be withheld until the Building Inspector is satisfied that the provisions of the Planning Act, any regulations or bylaws enacted pursuant thereto including any Land Use Bylaw or Subdivision bylaw, the Heritage Property Act and any regulations or bylaws enacted pursuant thereto, any Lot Grading By-law or applicable Development Agreement have been complied with.

(2) A building permit is valid for a period of 2 years from the date of issue.

(3) If within 2 years of the date of issue,

(a) no work has taken place, the building permit shall be canceled and 75% of the original fee paid shall be refunded; or

(b) where the work has commenced but not been completed, a new application shall be completed and a fee paid based on the value of the work to be completed.

(4) In addition to the requirements in the Nova Scotia Building Code Regulations, a building permit shall be obtained for:

(a) a change of use or tenant in buildings of other than residential occupancy, regardless of the extent of construction being undertaken;

(b) creation of additional units.

### **Occupancy Permits**

7. (1) An occupancy permit is not required for any building or occupancy in existence prior to the coming into effect of the Nova Scotia Building Code Act, as shown on the assessment record for the property as of April 1, 1987.

(2) An occupancy permit shall not be issued for any building or part thereof unless a valid building permit is in effect.

(3) Except for a change of a residential tenant, no person shall occupy a building after a change of use or tenant, including any change in the number of either commercial or residential units, without first obtaining an occupancy permit.

(4) An occupancy permit may be withheld until the Municipality is satisfied that the provisions of the Planning Act, any regulations or bylaws enacted pursuant thereto including any Land Use Bylaw or Subdivision bylaw, the Heritage Property Act and any regulations or bylaws enacted pursuant thereto, any Lot Grading bylaw, Streets bylaw or applicable Development Agreement have been complied with.

#### **Occupancy Permits for Temporary Buildings**

8. (1) A temporary building located within the core area shall not be occupied or used unless an occupancy permit therefore is first obtained.

(2) An occupancy permit for a temporary building shall not be issued for a period of more than 1 year, shall not be renewed, nor shall a second permit for a temporary building on the same property be issued until a period of 30 days has elapsed following the expiration of any previous occupancy permit for a temporary building.

(3) A temporary building shall be removed immediately upon expiration of the occupancy permit.

(4) An occupancy permit required by subsection (2) shall be issued provided that no unsafe condition exists with respect health and life safety.

#### **Location Certificates**

9. (1) A location certificate shall be provided for every new building except a building which is accessory to a single unit dwelling, semi-detached dwelling, or townhouse.

(2) The authority having jurisdiction may require a location certificate for additions or accessory buildings where the proposed construction is within 10 feet of the property line in order to be satisfied that the construction complies with the provisions of the Land-use bylaw and Building Code.

(3) A location certificate may be waived by the building inspector for a building outside the serviceable area where the lot area is greater than three acres.

(4) Unless stated on the building permit, the location certificate must be approved before a foundation inspection will be carried out and any framing is permitted to take place above the foundation.

#### **Fences**

10. (1) No person shall erect a fence more than 6.5 feet in height without first obtaining a permit therefore.

(2) Where a fence for which a permit is required separates a property containing a residential use from another property, the permit application shall be approved by the local Community Council.

(3) The municipality shall serve notice on the adjacent property owners at least 14 days in advance of the meeting of the local Community Council, at which time, the public may speak to the application.

(4) If approved by Community Council, the permit shall be issued by the authority having jurisdiction within five business days.

**Inspections**

11. In addition to any inspections specified on the building permit, the owner shall notify the authority having jurisdiction to inspect work outside the scope of Part 9 of the Code for compliance with the Code at the following stages of construction:

- (a) once the foundation is placed, but before commencement of the superstructure
- (b) at the framing stage, once all services have been roughed in, but before interior wall covers have been installed; and
- (c) once the work is complete, but before occupancy.

12. A foundation inspection will not be carried out until the location certificate, where required, has been approved by both the Development Officer and the Building Inspector and where required, the Development Engineer.

13. Where a mandatory inspection is requested and the work is not ready for said inspection, or violations are noted which require a reinspection, the Inspector will perform one reinspection per mandatory inspection at no charge. Where more than one reinspection is required, the owner shall be subject to a re-inspection fee as prescribed in Bylaw F-200, the Fees Bylaw, for each subsequent inspection.

14. Any fees incurred under Section 13 shall be paid before the occupancy permit is issued.

**Site Conditions**

15. No person shall bury any garbage or similar debris on a construction site.

16. An owner of a property shall ensure that excavations undertaken during freezing conditions are protected from freezing before, during and after the placement of concrete.

**Repeal**

City of Halifax By-law 131, the Building Code Ordinance; City of Dartmouth By-laws B-100 and 101; Town of Bedford By-law 26103; and Halifax County Municipality Building By-law No. 23 and Occupancy Permit Bylaw No.25 are hereby repealed. and 101; Town of Bedford By-law 26103; and Halifax County Municipality Building By-law No. 23 and Occupancy Permit Bylaw No.25 are hereby repealed.

**Done and passed by Council** this 14th day of April, 1998.

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Mayor

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Municipal Clerk

**Attachment C  
(Amending By-law)**

**HALIFAX REGIONAL MUNICIPALITY  
BY-LAW NUMBER B-203  
RESPECTING THE BUILDING CODE**

**BE IT ENACTED** by the Council of the Halifax Regional Municipality that By-law 201, the *Building By-law*, is further amended as follows:

1. Section 1 is amended by adding the header “Short Title” before the start of the section.
2. Section 2 is amended by:
  - (a) striking out the header “Definitions” after section 1 and before the start of subsection 1;
  - (b) adding the header “Interpretation” after section 1 and before the start of subsection 1;
  - (c) adding clauses ba and bb after clause b and before clause c in subsection 2 as follows:
    - (ba) “Non-Profit Organization” includes:
      - (i) a society incorporated pursuant to the *Societies Act*, R.S.N.S.1989 c.435, as amended,
      - (ii) a non-profit association incorporated pursuant to the *Co-operative Associations Act*, R.S.N.S.1989 c. 98, as amended,
      - (iii) a non-profit association to which the *Co-operative Associations Act* applies,
      - (iv) a not-for-profit corporation incorporated pursuant to the *Canada Not-for-profit Corporations Act*, S.C. 2009, c. 23, and
      - (v) a non-profit organization otherwise incorporated pursuant to an Act of the Nova Scotia Legislature;
    - (bb) “Registered Canadian Charitable Organization” means a charitable organization registered pursuant to the Income Tax Act (Canada) and the regulations made pursuant to that Act; and
  - (d) striking out the semi-colon and the word “and” at the end of clause c of subsection 2;
  - (e) adding a period at the end of clause c of subsection 2;
  - (f) striking out the period at the end of clause d of subsection 2;
  - (g) adding a semi-colon at the end of clause d of subsection 2; and
  - (h) re-lettering clause d as clause aa of subsection 2.
3. Subsections 8 and 9 of section 4 are added after subsection 7 and before section 5 as follows:

(8) Notwithstanding subsection (2) but subject to subsection (9), applications for construction, demolition, additions, renovations, repairs and attached signs are exempt from the payment of building permit fees, providing:

(a) the applicant is a Non-Profit Organization or a Registered Canadian Charitable Organization;

(b) the land that is the subject of the application is solely owned by one or a combination of the following: the applicant, the Municipality, the Provincial Government, the Federal Government, or an agent of the Provincial or Federal Government;

(c) the applicant has either

(i) executed an agreement respecting affordable housing for a minimum of twenty-five percent (25%) of the total floor area of the development with

(A) the Province of Nova Scotia, including Housing Nova Scotia, or

(B) the Government of Canada, including Canada Mortgage and Housing Corporation, or

(ii) received funding respecting affordable housing for a minimum of twenty-five percent (25%) of the total floor area of the development from

(A) the Province of Nova Scotia, including Housing Nova Scotia, or

(B) the Government of Canada, including Canada Mortgage and Housing Corporation; and

(d) the application relates to property that is the subject of the executed agreement or received funding.

(9) To be eligible for an exemption from the payment of building permit fees pursuant to subsection 8, the Non-Profit Organization or the Registered Canadian Charitable Organization shall, as of the date of the application, have fully paid all taxes or all instalments or all interim payments due to the Municipality.

Done and passed by Council this            day of            , 20   .

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Mayor

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Municipal Clerk

**Fees**

<b>Building Permit Fees (Residential, 4 units or less) Minimum Fee \$25.00</b>	
For new construction or addition to existing buildings, fees are based on the floor area.	
all floors at or above the average finished grade surrounding the building	\$0.30 a square foot
all floors below the average finished grade, not more than 5.5 ft	\$0.25 a square foot
basements (finished/unfinished at greater than 5.5 ft below grade)	\$0.10 a square foot
Attached and detached garages	\$0.10 a square foot
Renovation and repairs	\$5.50 per \$1000.00 of the estimated value of construction
Decks and pools	
Solar collectors	\$150.00

<b>Building Permit Fees (all other construction)</b>	
\$5.50 per \$1000.00 of the estimated value of construction	

<b>Plumbing Fee</b>	
New residential construction to contain four units or less	\$50.00 per unit
Other multiple unit residential buildings	\$25.00 per unit
Additions or renovations to residential buildings (no new units)	\$25.00
Non-residential buildings – 5 or less fixtures	\$25.00
– 6 or more fixtures	\$50.00

<b>Development Permit Fee</b>	
Residential – single or 2 unit – new or addition	\$100.00
Residential – 3 units or more – new or addition	\$250.00
Non-residential – new or addition	\$250.00
– renovation	\$100.00
Decks, pools, sheds	\$25.00

<b>Occupancy Permit – \$100.00</b>	
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<b>Lot Grading Fees— \$75.00</b>	
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<b>Solid Waste Charge (New Additions/ICI) fees adjusted annually</b>	
Residential units (new)	\$248.29 per unit
ICI (institutional, commercial, industrial) (all)	\$0.18 a square foot

**Construction Permits**

**Fees (continued)**

<b>Blasting Permit Fees</b>	
Less than 50 cubic meters	\$100.00
More than 50 cubic meters	\$600.00 (plus a \$5000.00 security deposit.)

<b>Streets and Services Fees and Deposits</b>	
(Name of valid contractor required at time of application)	
Driveway access/culvert	\$200.00
Lateral connection to main	\$200.00
Sewer cap-off	\$200.00
Future settlement charge	\$90.00 to \$390.00 (varies by street)
Deposit	\$1000.00 (refundable, upon approved reinstatement)

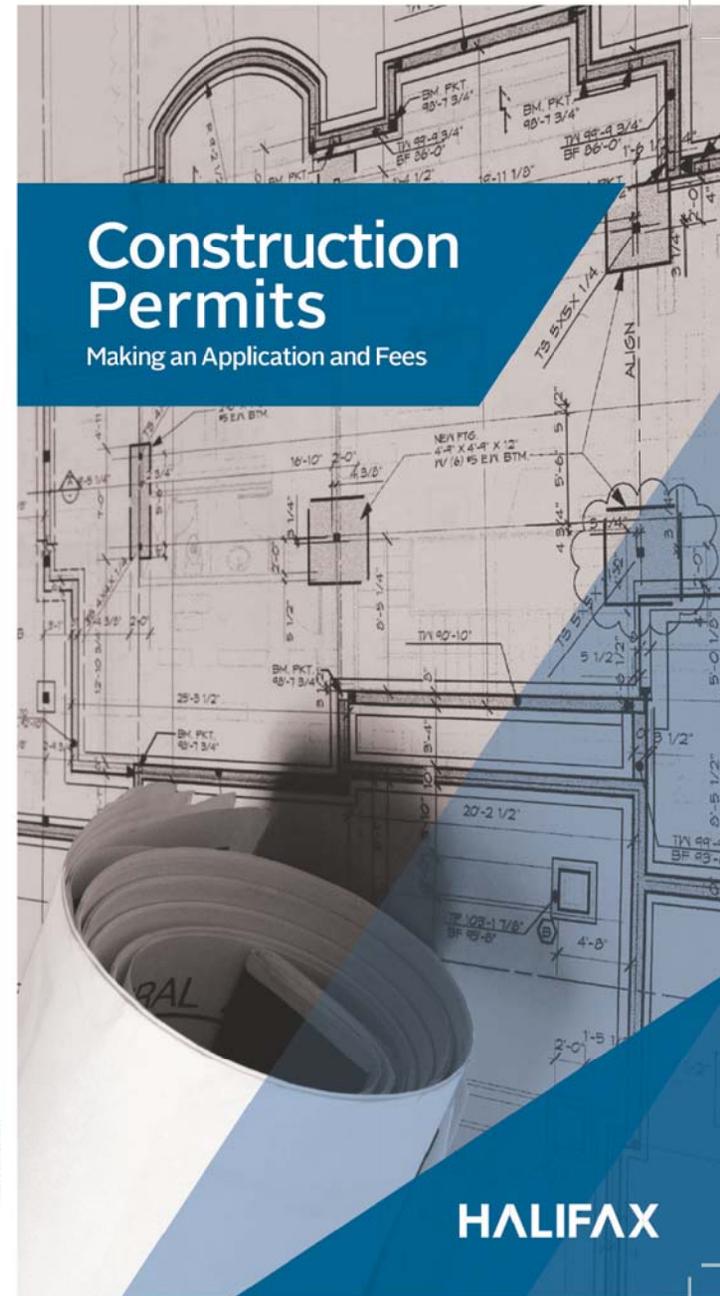
<b>Regional Development Charges (RDC)* — Wastewater</b>	
New construction or additions/renovations resulting in new units	
Single, two or three unit dwellings	\$4,080.80 per unit
Multiple unit dwellings	\$2,740.84 per unit
ICI (institutional, commercial, industrial)	\$2.24 / a square foot

<b>Regional Development Charges (RDC)* — Water</b>	
New construction or additions/renovations resulting in new units	
Single, two, three or multiple unit dwellings (need new laterals)	\$182.88 per added unit
Single, two, three or multiple unit dwellings (do not need new laterals)	\$122.83 per added unit
ICI (institutional, commercial, industrial)	\$0.09 per added square foot

<b>Halifax Water Service Lateral Inspection Fee</b>	
Water Laterals – up to 50mm (2") in diameter	\$90.00 per-inspection
Water Laterals – greater than 50mm (2") in diameter	\$165.00 per-inspection
Wastewater/Stormwater Laterals – up to 150mm (6") in diameter	\$90.00 per-inspection
Wastewater/Stormwater Laterals – greater than 150mm (6") in diameter	\$165.00 per-inspection

<b>Demolition Permit – \$50.00</b>	
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\*RDC FEE DEFERRAL OF UP TO 25% IS AVAILABLE ON FEES IN EXCESS OF \$100,000.



**HALIFAX**

AUGUST 2016

**HALIFAX**

## Construction Permit Application Requirements

To apply for a Construction Permit, the following information **MUST** be provided. If submitted Building Plans do not contain adequate information to enable staff to assess your project thoroughly, revisions and/or additional information may be required before a Permit to Construct is issued. It is also important to note that it is the responsibility of the owner/builder to ensure that all construction complies with the requirements of the Provincial Building Code.

Please note that **INCOMPLETE SUBMISSIONS WILL NOT BE ACCEPTED**. Please use the checklist on the next page as a guide.

### Site Plans

A site plan must show lot dimensions and the footprint of the proposed building or addition and any projections such as decks, roof overhangs and doorsteps. It must also indicate the proposed building's exact distance from all property boundaries and the location of the driveway entrance. This information can be depicted on the lot grading plan.

### Building Plans

(a) A floor plan of the interior layout of each level (both existing and proposed) must show the following information:

- rooms showing dimensions and labeled as to use;
- location of all plumbing and electrical fixtures;
- size, spacing and span of the floor framing members;
- location and size of exterior steps, decks, stairs, etc.; and
- the floor area of each room and the total floor area of the dwelling, including the basement and any attached garage.

(b) Detailed notes are required on all heating, ventilation and other mechanical systems.

(c) Building elevations must show the finished grade and the size and location of windows, and the height of the building from finished grade to the highest point of the roof.

(d) A typical cross section, taken through the wall from the footing to the roof, must show

- footing and foundation wall size;
- floor assembly construction; and
- roof assembly construction.

## Complete Application Checklist

In order to avoid delays in receiving your permit, please ensure you provide ALL of the following information when applying:

- three (3) copies of the Site Plan or Lot Grading Plan;
- three (3) sets of detailed construction plans and specifications (see corresponding brochures for Homes, Decks, Pools, etc.);
- copy of notification receipt from Nova Scotia Environment for the design and installation of the on-site sewage disposal system, where required;
- the name of the contractor for the Streets and Services permit;
- applicable fees and deposits shall be made in person by cash, debit card, credit card or cheque (made payable to Halifax Regional Municipality).

Inspectors need to be able to identify your property for inspection. Please ensure your civic number is posted and is visible from the street.

### Please Note:

Any discrepancy between this document and the related by-laws, the by-law will prevail. All fees and applicable deposits must be paid at the time of the application.

### How to contact us:

The following Municipal Customer Service Centres accept applications.

Dartmouth  
40 Alderney Drive  
(Alderney Gate)  
902.490.4490

Halifax  
7071 Bayers Road, Suite 2005  
(Bayers Road Centre)  
902.490.5650

To request an inspection once your permit has been issued call 902.490.7097 before 8 a.m.

### Forms and information also available online at:

[halifax.ca/permitsinspections](http://halifax.ca/permitsinspections)

## Additional Requirements



### Approval from Nova Scotia Environment (NSE) for On-Site Sewage Disposal Systems

Notification to NSE is required prior to commencing installation of on-site sewage disposal systems for new home construction, where central sewer services are unavailable. A Qualified Person or Professional Engineer, holding a certificate of qualification from NSE, must design and inspect these systems. The Installer must hold a certificate of qualification as an installer from NSE. Contact NSE for a list of names of qualified persons, installers, and professional engineers. If you propose to construct an addition to an existing dwelling and it does not increase the number of bedrooms in your dwelling, this approval is NOT required. Please note that your Permit to construct WILL NOT be issued without a copy of the notification receipt from NSE.



### Nova Scotia Transportation and Infrastructure Renewal (NSTIR)

If your property fronts on a street, road or highway owned and maintained by Nova Scotia Transportation and Infrastructure Renewal, you will need approval for your driveway location, and permission to build a structure within 100 metres of the centerline of a listed public highway. Although your Permit can be issued without this approval, it is recommended you contact your nearest NSTIR Office as soon as you submit your Construction Permit Application to the municipality.

## HALIFAX Construction and Demolition Debris

Home improvements add convenience and value to a home. The waste created by these projects, however, can be an environmental burden. Construction, demolition and renovation waste (C&D for short), such as leftover lumber, old roofing and insulation, and used building materials, account for 1/4 of all solid waste, taking up precious landfill space and wasting valuable resources. C&D waste can be reduced and diverted from landfills. This material includes, waste lumber, gyproc and shingles. Construction and demolition debris needs to go to a licensed recycling and disposal facility. For more information, visit our website at:

[halifax.ca/recycle/cdrdebris.php](http://halifax.ca/recycle/cdrdebris.php).