



# RESIDENTIAL CONVERSION GRANT POLICY

2026-03-P

Approved by Resolution No: 26-35

February 3, 2026

Next Review - 2030

---

## 1.0 PURPOSE

The Town of Faro recognizes the need to convert properties that are currently underutilized or vacant or non-residential to residential through the creation of dwellings units. As noted in 2024 Official Community Plan redevelopment of abandoned homes in Faro could assist meeting the needs of projected future population growth in the Town. This policy supports the Town's objective to increasing housing supply, revitalizing the remaining Faro Real Estate properties and supporting mixed-use development, like that of housing units on industrial and commercial properties.

## 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 DEFINITIONS

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

**Dwelling Unit:** as defined by the Town of Faro Zoning Bylaw, and is or will be fully serviced with water, sewer and electricity by the completion of the project work.

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

**Non-confirming:** failing to conform or comply with the relevant planning or zoning documents.

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

**Town:** means the Town of Faro.

**Underutilized:** means a property which contains land, building and/or structures that 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 derelict properties, buildings and structures.

#### **4.0 DEVELOPMENT GRANTS**

- 4.0.1 Eligible projects are those that create dwelling unit(s) on underutilized or vacant or non-residential properties.
- 4.0.2 Eligible property owners may receive a grant of up to \$30,000 per dwelling unit, up to a maximum of \$60,000.
- 4.0.3 The Development Officer is permitted to limit grant applications by property owners (and/or members of their immediate families) to facilitate the widest distribution of grants.

#### **5.0 ELIGIBILITY CRITERIA**

- 5.0.1 The property must be located within the municipal boundary of the Town of Faro.
- 5.0.2 Applicants must own the property on which the housing development is to be constructed.
- 5.0.3 The property must be vacant or underutilized.
- 5.0.4 The property and proposed development(s) must comply with the Town's Official Community Plan, Zoning Bylaw and the National Building Code.
- 5.0.5 Property taxes and all fees (water/sewer/garbage) for the property must be paid and the property must be in good standing.

## 6.0 GUIDELINES AND PROCEDURES

- 6.0.1 **Application Process:** To receive a Conversion 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, provide estimated costs for the project and attach all necessary documentation.
- 6.0.2 **Review and Lottery:** Applications will be reviewed and approved for entry into the Conversion Grant lottery which will be completed by a third party. If there are more applications than funding available, a lottery draw will take place. If there is more funding available than applications received, all applications will be approved. The Town will attempt to notify all applicants of the outcome of their application 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 applicant, the Town will then offer the grant to subsequent applicant(s) on the waitlist.
- 6.0.3 **Disbursement of Funds:** Conversion Grant funds will be disbursed in two installments: 75% of the grant once half of the construction has been completed, and the remaining 25% once construction has been completed all required final inspection reports confirm compliance with governing codes and legislation. All Conversion Grant cheques will be made payable to the applicant.

## 7.0 IMPLEMENTATION OF POLICY

- 7.0.1 Residential Conversion Grant applications must be accompanied by an approved development permit for the proposed development, along with other supporting information as requested in the application.
- 7.0.2 Applications for the Residential Conversion Grant will be accepted for projects that were started after the Housing Accelerator Fund application date of January 01, 2025. The project start date will be determined by the issuance of the development permit to undertake the project.
- 7.0.3 Any developments for which funding is provided must be completed by December 1<sup>st</sup>, 2027 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.
- 7.0.4 Developments must comply with the Towns' Official Community Plan, Zoning Bylaw, policies and other bylaws.

- 7.0.5 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.
- 7.0.6 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, along with the final occupancy approval.
- 7.0.7 For further clarity, the information provided by applicants in Sections 7.05 and 7.0.6 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
- 7.0.8 If a development or building permit is revoked, cancelled, voided or amended to be outside of the eligibility criteria, the Conversion Grant will be considered invalid. A new application may be resubmitted in such cases.
- 7.0.9 The Conversion Grant will cover up to 100% of actual, eligible costs, to the maximum amount of the grant provided for the specific project.
- 7.0.10 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).
- 7.0.11 Labour costs for work completed by the homeowner are not eligible for reimbursement.
- 7.0.12 Receiving a Residential Conversion Grant under this policy does not preclude an applicant from applying for and receiving other grants, subsidies or loans provided by the Town or other organizations.

## **8.0 LOTTERY PROCESS**

- 8.0.1 Once an application is deemed complete and is accepted by the Town of Faro, as described in section 10.0.4, the Applicant will be entered into a lottery to receive project funding.
- 8.0.2 The funding allocated for this project is \$180,000. If the amount requested through approved applications does not exceed \$180,000 by the time of the lottery, the Town of Faro reserves the right to disburse funding to approved applicants without a lottery process.

## **9.0 PROGRAM MONITOR AND REVIEW**

9.0.1 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.

## **10.0 GENERAL INFORMATION**

10.0.1 Applications can be obtained by the Town of Faro by email at [housing@faroyukon.ca](mailto:housing@faroyukon.ca), in person at the Town Office located at 200 Campbell Street, Faro, or on the Town website at [www.faro.ca/p/housing-accelerator-fund/](http://www.faro.ca/p/housing-accelerator-fund/).

10.0.2 Completed application forms are to be returned to the Town of Faro in person, by email to [housing@faroyukon.ca](mailto:housing@faroyukon.ca) or by regular mail.

10.0.3 Questions about the application can be directed to Graham White, Project Manager, [graham@elevatoryukon.com](mailto:graham@elevatoryukon.com).

10.0.4 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 Faro.
- Other supporting documents and information as requested in the Conversion Grant application.

10.0.5 Upon approval, the applicant will be notified and forwarded a copy of the application and approval conditions. A funding development agreement must be completed by the successful applicant and the Town of Faro prior to final approval of the grant.

## **11.0 TERM OF AGREEMENT**

11.0.1 The term of a Conversion Grant agreement cannot exceed December 1<sup>st</sup>, 2027.

11.0.2 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 Faro reserves the right to revoke the agreement with written notice.