



Municipality of Kincardine Community Improvement Plan

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TABLE OF CONTENTS

1.0 Introduction	4
1.1 Overview	4
1.2 What Is A Community Improvement Plan?	4
1.3 Purpose Of This Community Improvement Plan	4
1.4 Community Improvement Plan Preparation	5
1.5 Community Improvement Project Area	5
1.6 Eligible Applicants	7
2.0 Policy Context	8
2.1 Provincial Context	8
2.2 Regional Context: Bruce County	10
2.3 Local Context: Municipality Of Kincardine	11
3.0 Kincardine Community Portfolio	14
3.1 Demographics	14
Population	14
Economics	14
Income	14
Housing	14
3.2 Defining Affordable Housing	17
3.3 Determining Affordable Housing Need In Kincardine	17
4.0 Goals And Guiding Principles	18
4.1 Goals	18
4.2 Objectives And Guiding Principles	18
5.0 Incentive Programs	19
5.1 Development Charges Relief Program	19
5.2 Property Tax Increment Program	20
5.3 Added Dwelling Unit Program	22
5.4 Affordable Housing Development Loan Program	23
5.5 Municipal Fee Relief Program	24
5.6 Housing Rehabilitation And Conversion Program	25
5.7 "Housing First" Surplus Land Program	26

6.0 Affordable Housing Strategies	26
6.1 Tiny Homes	27
6.2 Inclusionary Zoning	30
7.0 Monitoring And Administration	32
7.1 Administration Of CIP	32
7.2 Incentive Program Budget	32
7.3 Monitoring And Evaluation Of Programs	32
Appendices	34
Appendix I: Cost Benefit Analysis	35
Appendix II: Potential Funding Sources	37
Appendix III: Case Studies	38



1.0 INTRODUCTION

1.1 Overview

The Municipality of Kincardine Community Improvement Plan (“CIP” or the “Plan”) is intended to facilitate and promote the development of affordable and attainable housing initiatives. This CIP establishes a toolbox of incentive programs that can be offered by the Municipality of Kincardine (the “Municipality”) to stimulate private and nonprofit sector investments in affordable housing to address the needs of Kincardine’s communities. In addition, the CIP sets out strategies to monitor and evaluate the suite of incentive programs that may be undertaken by the Municipality.

1.2 What Is A Community Improvement Plan?

A Community Improvement Plan is a tool that allows a municipality to directly invest and enter into agreements with stakeholders to achieve defined community benefits through development assistance for specified or defined project areas. Section 28 of the *Planning Act* provides municipalities with the authority to prepare CIPs.

In the *Planning Act*, a Community Improvement Plan is defined as “a plan for the community improvement of a community improvement project area”. Section 28(1) then provides the Municipality with the ability to establish a Community Improvement Project Area (“CIPA”) via by-law and prepare a CIP for that area. Programs under this Plan can therefore only be applied within the designated CIPA.

Under Sections 28(6) and (7) of the *Planning Act*, municipalities may engage in the following activities through a CIP:

- Acquire, hold, clear, or grade land in preparation for community improvement;
- Construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the CIP;
- Sell, lease or otherwise dispose of any land acquired or held by it in conformity with the CIP; and
- Make grants or loans to registered owners, assessed owners and tenants of lands and buildings to pay for the whole or any part of the eligible costs of rehabilitating buildings or land in conformity with the CIP.

1.3 Purpose Of This Community Improvement Plan

The purpose of this CIP is to:

- Determine affordable housing needs based on household incomes and define “affordable housing” for the CIP and its proposed programs;
- Establish goals and objectives of the CIP to address the provision of attainable housing and other city-defined objectives;
- Develop incentive programs to support the development of affordable housing supply; and

- Identify measures for monitoring and evaluation of any programs offered under the CIP, to assist with future housing reports and identify successes of the financial incentives or programs.

1.4 Community Improvement Plan Preparation

The following tasks were completed to build a foundation of housing background and policy context prior to and in preparation for developing the CIP:

- Review of Provincial, Regional, and Local (Municipal) policy documents;
- Review of existing CIPs in Bruce County and other Ontario municipalities, with emphasis on identifying prevailing best practices;
- Review of current, in-place attainable housing resources and efforts offered at the County and municipal levels; and
- Analysis of the Municipality's housing statistics, rental prices, and household data.

1.5 Community Improvement Project Area

In accordance with Section 28 of the *Planning Act*, a Community Improvement Project Area is based on an area that, in the opinion of the Council, is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason, such as affordable housing.

For this Affordable Housing CIP, the Community Improvement Project Area includes the entire Municipality of Kincardine as illustrated below in Figure 1.

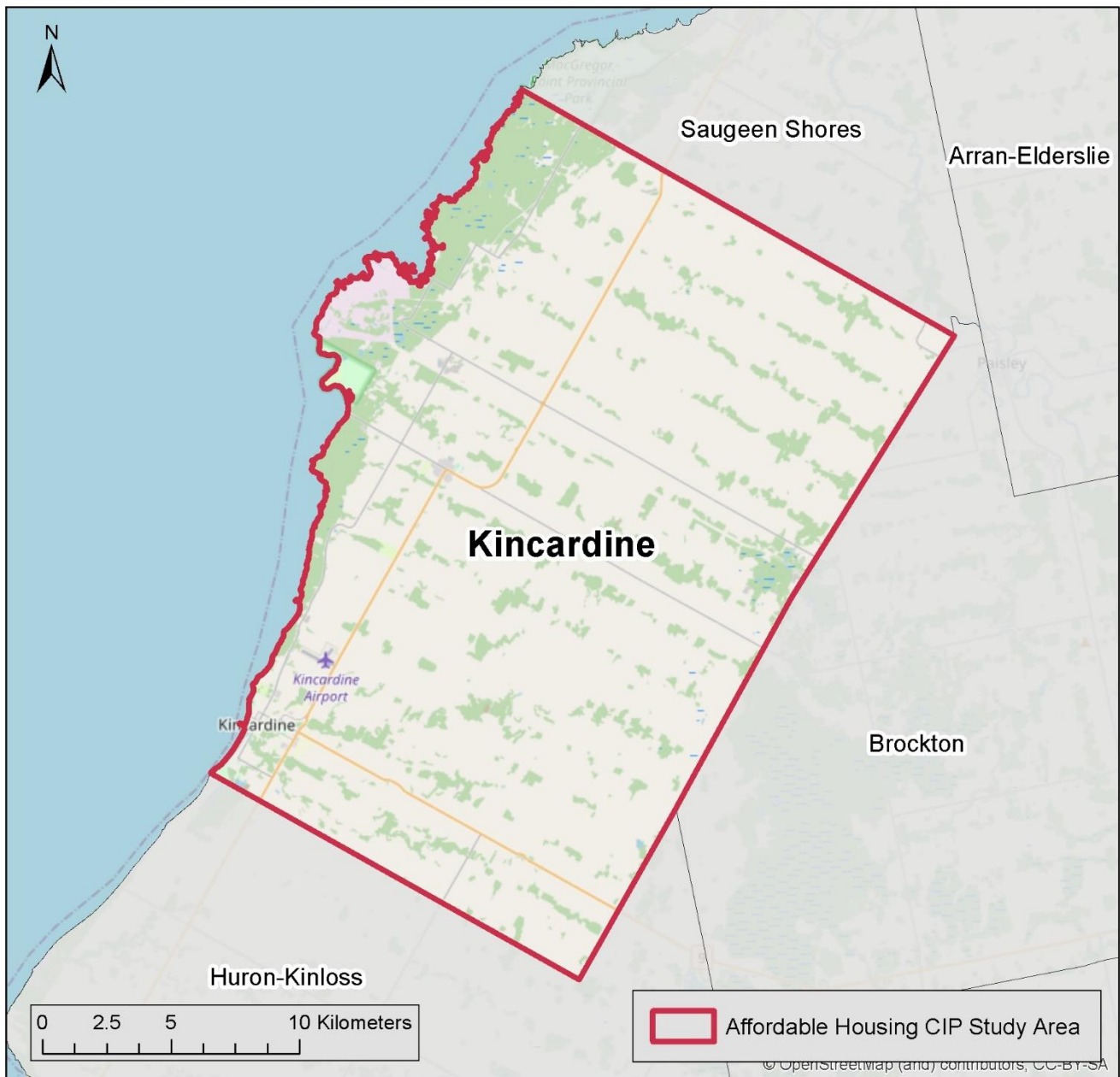


Figure 1: Community Improvement Project Area for the Affordable Housing CIP

1.6 Eligible Applicants

The financial incentive programs established under this CIP are open and extended to a range of eligible applicants, including landowners and tenants, and the non-profit sector.

The Municipality recognizes the ongoing contributions from individuals and organizations, and at the County-level. The Municipality sees this CIP to be an important opportunity to further facilitate and encourage investments towards attainable housing. All applicants are encouraged to apply and make use of the incentives offered by this Plan. Applicants are to consult the specific program guidelines, understand that program availability is subject to funding, and confirm eligibility requirements with the Municipality prior to undertaking any works.



2.0 POLICY CONTEXT

2.1 Provincial Context

Legislative Authority - Planning Act

The legislative authority for Community Improvement Plans and related incentives is derived from the Planning Act (“Act”). The Act is the primary vehicle and provides for the establishment of Community Improvement Project Areas while the Official Plan provides provisions related to designations. Under Section 28 of the Act, “Community Improvement” is defined as

“the planning or replanning, design or redesigns, re-subdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary.”

Section 28 of Part IV of the Planning Act governs how Community Improvement Plans are to be established and implemented by local or upper-tier municipalities across the province:

S28(3) - Acquisition and clearance of land

Part IV Subsection (3) of the Planning Act states that upon the passing of the By-Law to designate an area as a community improvement project area, the municipality may then acquire the land and clear, grade and prepare the land for community improvement.

S28(6) - Powers of Council regarding land

According to subsection (6), the municipality may construct, repair, rehabilitate or improve buildings on land acquired in the community improvement project area

The municipality may further sell, lease or dispose of any land acquired or held in the community improvement project area to any person of governmental authority for use in conformity with the community improvement plan.

S28(7) - Grants and Loans regarding Eligible Costs

Subsection (7) of the Planning Act gives municipalities the authority to make grants or loans, in conformity with the community improvement plan, to registered owners, assessed owners, tenants with written consent from owners, and buildings within the community improvement project area, to pay for the whole or any part of the eligible costs of the community improvement plan.

S28(7.1) - Eligible Costs

Eligible costs of a community improvement plan may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings.

S28(30) - Agreements for grants in aid of community improvement

The municipality may enter into an agreement with the Minister, with the approval of the Lieutenant Governor in Council, providing payment to the municipality on specific terms and conditions to assist in the community improvement of a community improvement project area.

Provincial Policy Statement, 2020

The Provincial Policy Statement (“PPS”), issued under section 3 of the Planning Act (“Act”), requires all decisions affecting planning matters to be consistent with policy statements issued under the Act. In the PPS, the term ‘housing options’ is defined as a variety of housing arrangements and forms such as co-ownership housing, co-operative housing, community land trusts, land lease community homes, affordable housing, and housing for people with special needs. Tiny homes, stacked townhouses, and multiplexes, among many others, are examples of the housing types listed under Housing Options in the PPS.

The PPS focuses on growth and development within urban and rural settlement areas while supporting the viability of rural areas. The incentive programs for affordable housing identified in this CIP will be consistent with the applicable provisions of the PPS and will implement the policies outlined below. One of the main topics outlined in the PPS is the building of strong and healthy communities. The proposed CIP is consistent with the applicable provisions of the PPS, and implements the following policies under Section 1.0 - Building Strong Healthy Communities.

Under Subsection(1.1) - Managing and Directing Land Use to Achieve Efficient and Resilient Development and Land Use Patterns of the PPS, new developments should accommodate affordable and market-based range and mix of residential types, employment, institutional, recreation, park and open space uses to meet long-term needs.

Under Subsection (1.4) - Housing of the PPS, new residential developments should provide for an appropriate range and mix of housing options and densities required to meet projected requirements of current and future residents of the regional market area. In addition, Planning Authorities shall:

1.4.1.a)

Maintain at all times the ability to accommodate residential growth for a minimum of 15 years through residential intensification and redevelopment

1.4.3

Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents of the regional market by:

1.4.3.a)

Establishing and implementing minimum targets for the provision of housing which is affordable to low- and moderate-income households and which aligns with applicable housing and homelessness plans.

1.4.3.b.1)

Permitting and facilitating all housing options required to meet the social, health, economic and well-being requirements of current and future residents, including special needs requirements and needs arising from demographic changes and employment opportunities.

1.4.3.b.2)

Permitting and facilitating all types of residential intensification including additional residential units and redevelopments

1.4.3.f)

Establishing development standards for residential intensification, redevelopment and new residential development which minimize the cost of housing and facilitate compact form which maintaining appropriate levels of public health and safety

Under Subsection (1.7) - Long-Term Economic Prosperity of the PPS, new developments should encourage residential uses to respond to dynamic market-based needs and provide necessary housing supply and range of housing options for an increasingly diversified workforce.

2.2 Regional Context: Bruce County

Bruce County Official Plan, 2017 Consolidation

The Municipality of Kincardine falls under the jurisdiction of Bruce County and its policies must align with interests set out in the Bruce County Official Plan (OP). The county has a goal to provide affordable housing for all Bruce County residents under section 4.4.4.2 of its OP. Bruce County aims to ensure that 30% of new residential development and intensification are affordable to meet housing needs of families with income up to the 60th percentile. For Bruce County, the 60th income percentile falls between \$50,000 to \$70,000 (Bruce County, 2017). The OP also sets policies to provide affordable rental housing to families with an annual income less than \$30,000.

The Bruce County OP also encourages local municipalities like the Municipality of Kincardine to adopt a range of affordable housing policies. A key policy is requiring a minimum of 30% of new residential development to be available as rental housing. Other policy considerations include

permitting accessory apartments, increasing residential densities, intensification, promoting alternative development standards and undertaking monitoring reports.

The Bruce County OP includes a list of affordable housing initiatives that can be utilized and promoted by local municipalities. These initiatives are listed below:

- Grant-in-lieu of development charges and planning and building fees for affordable housing developments that meet affordability targets
- Affordable Housing Reserve Fund
- Adopting a “Housing First” policy for surplus municipal lands

Bruce County Housing & Homelessness Progress Report, 2020

The Bruce County Housing & Homelessness Plan builds on Bruce County’s 2013 Long-Term Housing Strategy. This progress report outlines key milestones that the County has achieved thus far and identifies next steps. Affordable housing goals in the progress report include developing and promoting the development of secondary units in existing homes and new builds. It also describes the County’s Community Homelessness Prevention Initiative, which provides funds for housing stability, sheltering and homelessness support, as well as financial counseling.

Bruce County Long-Term Housing Strategy Progress Report, 2019

This Long-Term Housing Strategy Progress Report provides an update on the achievements and challenges encountered during the implementation process. The progress report highlights emerging trends/challenges that still need to be addressed in the County, such as the lack of diverse housing stock, maintaining existing housing stock, and the influence of the Bruce Power Life Extension Program on housing. To address these challenges, Bruce County plans to enhance financial and program support and encourage local municipalities to develop their own Community Improvement Plans for affordable housing, with a focus on secondary units.

2.3 Local Context: Municipality Of Kincardine

Kincardine has several roles and responsibilities with regards to the housing affordability challenge. One example of this is using local housing homelessness plans as a basis for housing needs assessment, which guides development of municipal planning policies and approaches. Additionally, another responsibility of the Municipality is identifying planning and financial tools that are available and ensuring that there are frameworks set in place for their use. The last step for Kincardine will be ensuring that it’s Official Plan and other policies align with Bruce County as well as Provincial Guidelines so as to properly direct development and promote availability of all housing types.

As stated previously, the Municipality of Kincardine’s policies must align with those set out in the Bruce County Official Plan. Kincardine plans to do this by supporting the County of Bruce in delivering their housing mandate by implementing some actions identified in the County plans and strategies. Other methods of supporting and upholding Bruce County’s plans include working with residents and organizations to understand the local housing needs and challenges facing

citizens, and working to create solutions. The Municipality may also identify courses of actions that will foster an environment for better community understanding pertaining to housing issues and needs. By ensuring that the Official Plan and zoning are flexible, the Municipality is preparing to allow a broad range of dwelling types to be developed. Throughout this process, several planning tools will be used to create incentives for developing community housing as well as speeding up the process for housing proposals.

Municipality of Kincardine Official Plan

Under the Detailed Land Use Policies section in Kincardine's Official Plan, several goals and objectives related to creating affordable housing can be outlined. The key goal for the Municipality is creating an ample supply of affordable and quality living accommodations. To fulfill this goal, the Municipality will establish minimum targets for affordable homes, and permit the construction of an appropriate range of housing types. The Municipality of Kincardine includes many objectives aimed to provide more affordable housing to their residents, listed below:

- Assisted owner and rental housing will be encouraged as the need is identified in local and County housing studies.
- The municipality shall monitor the amount of land available for residential development to ensure that there is, at all times, at least a 12-year supply of land designated for residential development

In the general policies portion of the Official Plan, section D1.4.6 discusses the availability of affordable housing and the Municipality's objectives, listed below:

- The Municipality shall encourage an adequate supply of affordable housing.
- The Municipality shall attempt to have 30% of all new residential construction affordable.
- The Municipality shall ensure that the Comprehensive Zoning By-law does not require standards which preclude the development of affordable housing and may provide incentives such as increased density bonusing for the development of affordable housing.
- The Municipality shall consider providing incentives to the public and private sectors to create new affordable rental units;
- The Municipality shall provide a grant-in-lieu of residential development charges, planning fees and building permit fees for affordable housing developments in return for a commitment by the developer to meet specified affordability targets
- The Municipality has a 'housing first' policy for surplus municipal lands. Specifically, the first priority in the decision-making process respecting surplus or potentially surplus municipal property shall be affordable housing development and that the surplus property be made available for affordable housing purposes at a reduced cost; and
- The Municipality shall promote, and where possible, assist in the administration of County, Provincial and Federal housing programs

In section D1.4.7, the Plan outlines objectives for supply of serviced residential land, undertaking the PPS direction that a supply of residential land shall be maintained at all times to accommodate for growth that is anticipated over the next 15 years minimum. Also in this section, the Municipality

also mentions establishing and maintaining an ongoing inventory of potential sites for affordable housing projects, and plans to negotiate with developers to establish plans that include the types of housing needed within the Municipality.

Housing Action Plan

As housing and rental prices within the Municipality have risen over the years and vacancy rates have dropped to an all time low, Kincardine has realized that there is a challenge related to housing affordability. The Municipality is currently working on developing a Housing Action Plan that will identify short- and long-term actions that can increase housing stock. They are currently in the midst of receiving public input on identifying potential solutions. Many members of the public seem to be interested in the concept of tiny homes, fast tracking mixed-use developments and partnering with like-minded developers, and providing residences for the people working at the local nuclear plant, Bruce Power.

Municipality of Kincardine Economic Development Strategy

This Strategy document outlines several objectives and action plans that directly support economic development in the Municipality of Kincardine. Objective 5 in the Economic Development Strategy is to develop housing and support for residents, population growth, and community development. A few notable actions listed here are the following:

- Conducting an annual resident survey to identify gaps in Municipal services
- Convening a roundtable of local realtors to identify current gaps in local housing supply
- Engage with Bruce Power on whether employee shuttle bus service can be leveraged for greater community benefit
- Strategy that includes comprehensive consultation with developers, employers, and existing residents
- Investigating implementation of mixed-use zoning to enable residential units above retail and commercial



3.0 KINCARDINE COMMUNITY PORTFOLIO

3.1 Demographics

Population

As of 2021, the Municipality of Kincardine has a full-time population of 12,268 people and a seasonal population of about 20,000. Since the 2016 census, the population has increased by 879 people (7.7%). The population is centered around three main areas known as the Community of Kincardine, Community of Tiverton, and Inverhuron. Of the full-time population, about 61% falls within the working age range, which is ages 15 to 64, and 26.21% are under the age of 15 (Townfolio data). The largest age group is from ages 50-70, which implies that the community has an aging population, with many near the retirement stage.

Economics

Based on the 2016 census, the biggest business sector in the Municipality of Kincardine is utilities (25%), followed by retail (11%) and health care (10%). The majority of businesses have 1 to 4 employees and there are 8 large companies that employ 500+ people. The municipality also hosts Bruce Power, the world's largest operating nuclear facility. Bruce Power's Life Extension Project is and will continue to be a major source of employment for residents in the Municipality of Kincardine. The municipality has also seen a decrease in unemployment rate since 2016, from 6.5% to 4.9%, signaling that more opportunities have been made available.

Income

The median household income for Kincardine is \$86,363 (2015). Most people in the municipality are above the national median income of \$62,900, with 1,140 households in the 150k+ bracket. It should be noted however, that these numbers do not reflect any income disparities experienced between different employment sectors.

Housing

Key Statistics from the 2016 and 2021 census:

Total occupied private dwellings by number of bedrooms: 4855

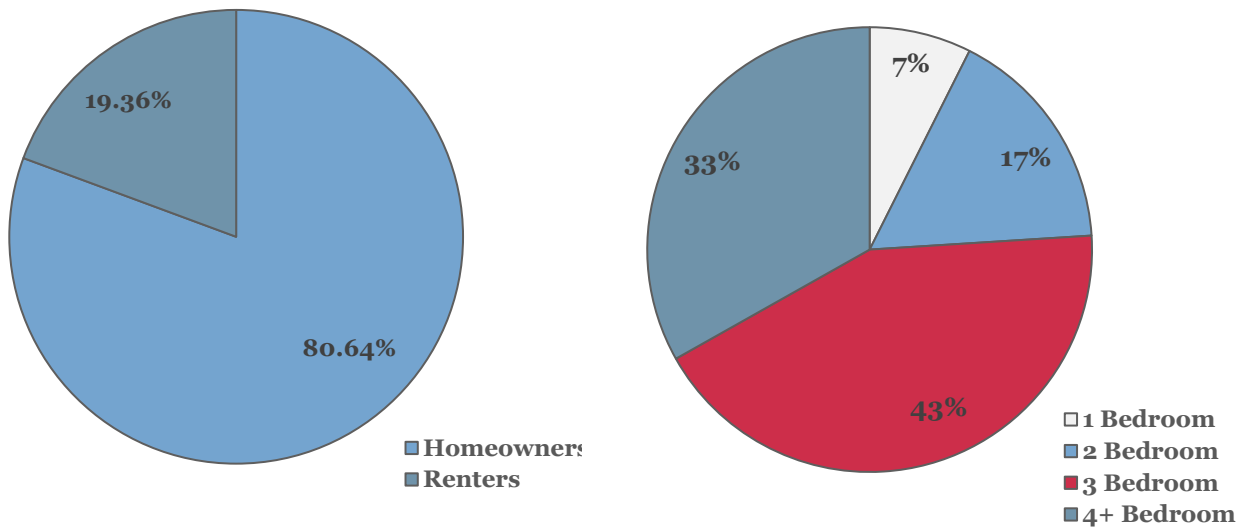


Figure 2: Household Characteristics

Figure 3: Occupied Private Dwellings by Number of Bedrooms

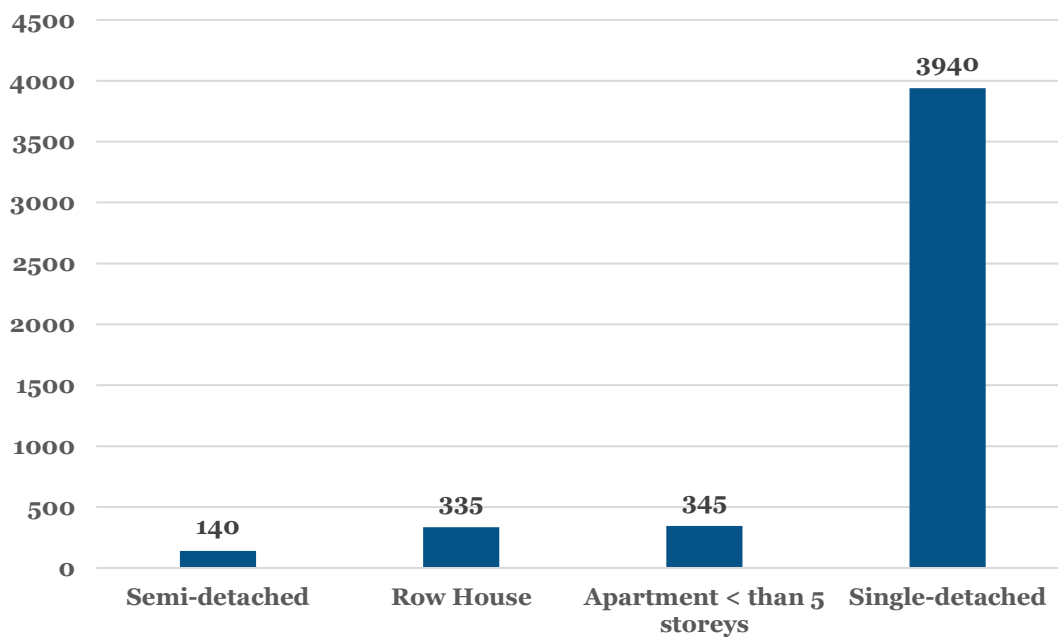


Figure 2: Housing Type by Structure

In addition to housing type, a large portion of private homes were constructed before the 1980s so maintenance is likely required.

Affordability based on median household incomes.

23% spending 30% or more of income on shelter costs.

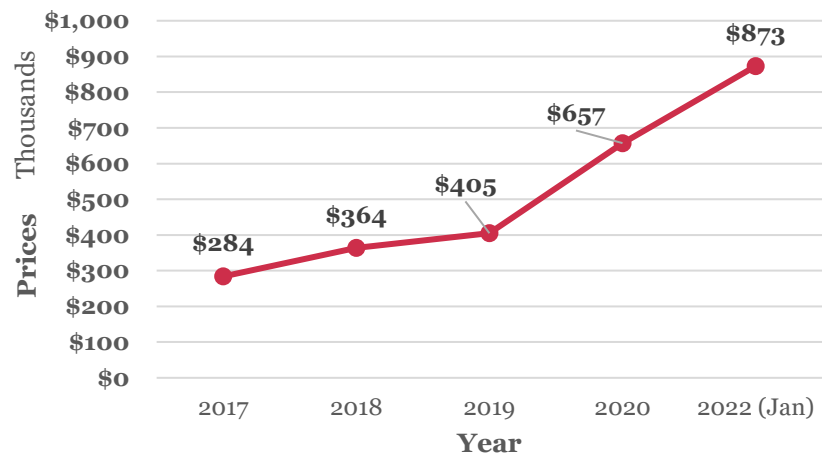


Figure 3: Average Home Prices in Kincardine

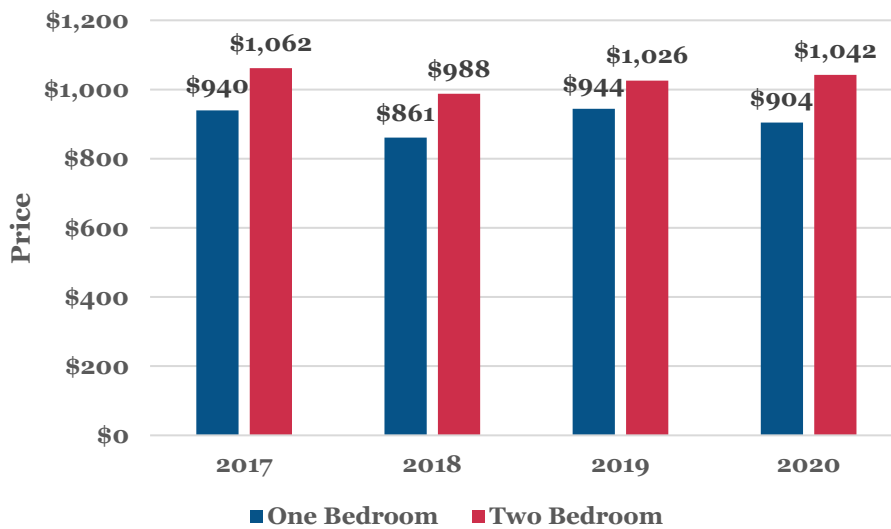


Figure 4: Average Market Rent by Type

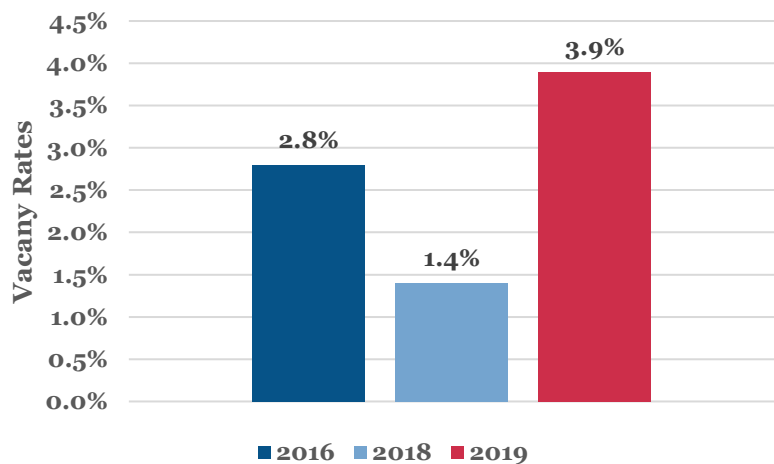


Figure 5: Rates of Vacancies in Kincardine

3.2 Defining Affordable Housing

The definition of ‘Affordable Housing’ that is used in this CIP is outlined in the PPS. The definition of ‘affordable’ in the PPS is divided into homeownership and rental housing.

With respect to homeownership, affordable housing is:

- Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low to moderate income households;
- Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area.

In the case of rental housing, affordable housing is:

- A unit for which the rent does not exceed 30 percent of gross annual household income for low- and moderate-income households;
- A unit for which the rent is at or below the average market rent of a unit in the regional market area.

3.3 Determining Affordable Housing Need in Kincardine

Housing need in the Municipality of Kincardine is based on household incomes and whether those incomes are sufficient in covering the costs of the available housing supply that meets households’ needs as well. When determining housing “need”, the following factors must be considered: incomes, housing costs, and vacancy rates.

In accordance with the definition of ‘affordable’ in the PPS, income information can therefore be divided into two main categories: Ownership Household Income and Renter Household Income. Additionally, housing costs will look at average home prices and average market rents to gauge ‘affordability’ in regard to ownership costs and monthly rent across different tenure types. Lastly, vacancy rates provide insight on the availability of existing housing stock and can dictate whether a household’s housing needs will be met within a specified geographic region where the housing supply is located.



4.0 GOALS AND GUIDING PRINCIPLES

4.1 Goals

The main goal of this CIP is to promote the development and maintenance of affordable housing in varying forms over a long-term basis. However, the following were identified as additional goals to help further examine the context of the Municipality of Kincardine:

- Outline best practices that may be implemented to improve housing affordability in the municipality of Kincardine
- Draw interest in Kincardine and promote development of all varying housing types
- Facilitate the development of a wide range of housing within the Municipality of Kincardine
- Support the provision of a variety of affordable housing units by offering actionable items

4.2 Objectives and Guiding Principles

Objectives are typically more specific and can be used to measure the accomplishment of a goal. The following objectives are identified as means to achieve the goals based on ongoing monitoring and measurement of the CIP:

- To help mitigate financial barriers for members of the public related to the development of attainable, affordable housing within the Municipality
- To enable the creation of mixed-income buildings and communities
- To provide opportunities, incentives and action plans for developers and their housing development proposals, creating more affordable housing units and relief from financial barriers to construction of affordable housing
- To support the County of Bruce housing policy mandate, as well as the Provincial Policy Statement, and any other overarching policy related to creating affordable housing by aligning existing policy frameworks with actionable items to ensure conformity with upper levels of government



5.0 INCENTIVE PROGRAMS

One of the objectives of supporting community improvement for affordable housing is assisting homeowners, landowners, private sector and non-for-profit organizations in developing affordable/attainable residential units they would otherwise not be able to without financial incentives. Financial incentive programs strive to stimulate private investments in constructing new units as well as rehabilitating existing properties.

5.1 Development Charges Relief Program

5.1.1 Purpose

The purpose of the Development Charges Relief Program is to offset the total cost of Municipality development charges that are encountered through the development application and planning approval process. This program is intended to promote future investment in the development of affordable/attainable housing within the Municipality.

5.1.2 Eligible Applicants

All properties and lands within the identified CIP Area shall be eligible for this program, provided the application satisfies the required eligibility criteria and the proposed development is in compliance with the Municipality's Official Plan and Zoning By-Law.

5.1.3 Applicable Costs

Costs associated with the development or redevelopment of a property that creates at least two new affordable/attainable housing units shall be eligible for this program. Further, only those costs associated with development charges applicable to new affordable/attainable housing units shall be applicable costs.

5.1.4 Program Value

This program funding is available as a grant instead of a loan. The grant value is based on the value of development charges applicable to the number of attainable/affordable dwelling units in the proposed project. The maximum value of the grant shall be 100% of the value of the applicable development charges, to a maximum of \$150,000.00.

5.1.5 Payment

The grant shall be paid upon successful completion of the work to the satisfaction of the Municipality. An applicable applicant shall initially pay the applicable development charge in full and the grant is paid upon successful completion of the project.

5.1.6 Eligibility

- To be eligible for the Development Charges Relief Program, the minimum number of affordable/attainable dwelling units in a development shall be two.
- The total value of the grant shall be calculated based on the number of affordable/attainable housing units in a development. For clarity, the value of the grant shall be equal to or less than the development charges applicable to eligible new affordable housing units under this program.
- The total value of the grant shall be less than or equal to the development charge fees established by the Municipality's Development Charges By-law in effect at the time of application.

5.2 Property Tax Increment Program

5.2.1 Purpose

The purpose of the Property Tax Increment Program is to encourage investment in the development of affordable/attainable housing within the Municipality. This program provides a grant or loan to compensate a portion of the municipal taxes attributed to the increased assessment value over a five-year period. The difference in municipal tax assessment before the development and after the development's completion is known as the "tax increment" and shall be the portion eligible for a grant or loan under this program.

As previously mentioned, the program will be administered as both a grant and a loan. Where the program is administered in the form of a grant, the grant will be issued upon successful completion of the applicable development on an annual basis for a period of 5 years on a depreciating basis. Where the program is administered in the form of a loan, the loan may be issued prior to construction and at the discretion of the Municipality. Additionally, when the program is administered as a loan, it is designed to assist in securing funding or financing for the project.

5.2.2 Eligible Applicants

All properties and lands within the identified CIP Area shall be eligible for this program, provided the application satisfies all the required eligibility criteria and the proposed development is in compliance with the Municipality's Official Plan and Zoning By-Law.

5.2.3 Applicable Costs

The potential grant or loan value shall be initially calculated based on the value of applicable costs to ensure the value of the grant or loan is related to the actual cost of the work being completed. The following costs shall be deemed to be applicable for the purpose of this program:

1. Development/Redevelopment of
 - a mixed-use or multi-unit residential structure that results in new additional affordable/attainable dwelling units, where the project results in an increase in the assessed value and taxes on the property;

- a vacant property that results in new affordable/attainable dwelling units, where the project results in an increase in the assessed value and taxes on the property;
 - a non-residential building for a mixed-use or multi- residential building, where the project results in an increase in the assessed value and taxes on the property;
1. Reuse of a property to suit a new mixed-use or multi-unit residential structure, where the redevelopment or rehabilitation results in an increase in the assessed value and taxes on the property;
 2. Major additions to an existing mixed-use or multi-unit residential building involving an increase of at least two additional dwelling units;
 3. Infrastructure work including the improvement or reconstruction of existing on-site public or private infrastructure to support building expansions or the construction of new additional dwelling units;
 4. Professional services by an engineer, architect, or planner;
 5. Any combination of the above.

5.2.4 Program Value

The maximum value of a grant shall be equivalent up to 50% of applicable costs to a maximum of \$25,000.00 per year for up to 5 years following completion of an applicable project. The maximum value of a loan shall be equivalent up to 50% of applicable costs to a maximum that is equivalent to \$50,000.00 per year over 10-years.

5.2.5 Payment

If the program is administered in the form of a grant, the grant will be issued upon successful completion of the applicable works on an annual basis for a period of 5 years on a depreciating basis. Where the Property Tax Increment Program is administered in the form of a loan, the loan may be issued prior to construction or works, and at the discretion of the Municipality.

5.2.6 Eligibility

- To be eligible for the Property Tax Increment Program, the minimum number of new attainable housing units in development shall be 25% of the total number of dwelling units in the development.
- The Tax Increment Equivalent Program is offered to eligible applicants only where it can be demonstrated that a substantial increase in municipal property taxes will occur due to affordable/attainable housing development.
- A grant administered under the Property Tax Increment Program will be issued in accordance with a set schedule and provided to the registered owner of the property on an annual basis.
- An annual grant shall not be issued until all property taxes owing for each year are paid in full. If a property tax installment is missed or payment is late, the Municipality reserves the right to terminate future grant payments.

- An annual grant shall not be recalculated based on tax increases resulting from re-assessments or changes in tax legislation.
- If the property is sold, before the grant period lapses, the subsequent new owner is not entitled to future grant payments, however exceptions may be made at the Municipality's discretion subject to the previous owner agreement.
- The Municipality shall not provide an annual grant which exceeds the municipal portion of the property tax collected in any year on the increased assessed value.
- A loan made under the Property Tax Increment Program is intended to be made prior to construction and will be based on an estimated increase in municipal taxes.
- Municipality staff will record the current assessment of the property at time of program approval and determine the amount of the taxes payable.

5.3 Added Dwelling Unit Program

5.3.1 Purpose

The purpose of the Added Dwelling Unit Program is intended to encourage added dwelling units that are accessory to a low density single detached dwelling, semi-detached dwelling, duplex dwelling or townhouse. This program provides financial assistance to improve, convert or construct new attainable dwelling units that may otherwise be cost prohibitive. The program will be administered as both a grant and a loan.

5.3.2 Eligible Applicants

Properties used for a single detached dwelling, semi-detached dwelling, duplex or townhouse dwelling and that are located within the designated Community Improvement Plan area shall be eligible for this program. The renovation or conversion of accessory structures that are not permitted for human habitation will not apply under this program.

5.3.3 Applicable Costs

The value of a grant or loan shall be based on the value of the following applicable costs as they directly apply to a proposed added dwelling unit:

1. Works related to Ontario Building Code or Fire Code compliance, such as structural, electrical, safe egress, ventilation, fire protection including associated insulation, and similar improvements.
2. Accessibility improvements including increased accessibility entrance access to the added unit; accessible washroom, interior features or kitchen facilities.
3. Permanent finishing materials and permanent decorative elements, including painting, drywall, trim, light fixtures, flooring, countertops and cabinetry, shall be an applicable cost to a maximum of 25% of the total applicable costs.
4. Costs for the services of a professional engineer or architect as required in association with the improvements noted above, to a maximum of 15% of the total applicable costs.

5.3.4 Program Value

The Added Residential Unit Program is available as either a grant or a loan. The maximum value of a grant shall be 50% of applicable costs to a maximum of \$10,000.00. The maximum value of a loan shall be 50% of applicable costs to a maximum of \$20,000.00.

5.3.5 Payment

A grant shall be paid as a single payment upon successful completion of works related to the applicable costs, to the satisfaction of Municipality staff. A loan shall be paid prior to construction once an estimated cost summary is provided.

5.3.6 Eligibility

- To be eligible for this Program, the minimum number of new affordable/attainable housing units within an applicable development shall be one.
- The applicant will include a description of the proposed improvements and an estimate of proposed construction costs. The estimation of costs must be from a qualified licensed contractor and shall be consistent with the cost estimate indicated on the accompanying building permit application. The Municipality reserves the right to request a second quotation from a different qualified licensed contractor.

5.4 Affordable Housing Development Loan Program

5.4.1 Purpose

The objective of the Affordable Housing Development Loan Program is to provide financial assistance to off-set the upfront costs associated with the development of new affordable housing units. One of the focuses is to encourage private and non-profit developers to build new affordable housing units across their municipality or address strategic housing objectives.

5.4.2 Eligible Applicants/Eligibility

Broadly, any development or redevelopment that creates more than one new affordable housing unit can be eligible for this program, with restrictions such as:

- An agreement must be made to ensure new housing units are rented below the Average Market Rent ("AMR") for a set number of years
- All loans must be paid back over a set schedule
- A lien must be placed on title against the property in an amount that is equal to the loan

5.4.3 Payment

The loan value can vary from a value of \$20,000.00 to \$100,000.00, depending on criteria.

5.4.4 Program Value

The loan amount varies depending on three variables:

1. The level of affordability of the units according to the AMR
2. Whether the registered owner has paid all outstanding property tax
3. The alignment with geographic location targets for the creation of affordable housing

5.5 *Municipal Fee Relief Program*

5.5.1 Purpose

The purpose of the Municipal Incentive Program is to waive municipal fees for developments that meet the definition of 'affordable housing'. Municipal fees can include planning application fees, parkland fees, cash-in-lieu of parking fees, building permit fees, and site plan agreement fees.

5.5.2 Eligible Applicants

Eligible applicants include any property owner or purchaser under an offer of purchase and sale, within the CIP project area. Applicants are to apply in writing at the time of submitting planning and building permit applications

5.5.3 Payment/Program Value

Payment will be in the form of a refund or waiving of the fees. For example, the amount of refund or grant provided is to be equivalent to the value of the application fee.

5.5.4 Eligibility

This program is only applicable to 'affordable housing' projects that are subject to the following conditions:

- Each unit in the housing project shall meet the definition of affordable, as per Municipality's definition
- During the time when the Municipal Fee Program is in force, the housing provider shall require subsequent purchasers to enter into an agreement with the Municipality to impose the terms of the municipal housing project agreement on the subsequent purchaser
- The agreement cannot be binding on the owner's heirs, successors, or assigns
- The subject property may not be in the position of property tax arrears
- Any outstanding Work Orders such as from previous landlords for the City's Building Division must be addressed prior to program approval
- The development or redevelopment must comply with regulations under the Ontario Building Code and Zoning By-Law or Zoning Amendments.

5.6 Housing Rehabilitation and Conversion Program

5.6.1 Purpose

The Housing Rehabilitation and Conversion Grant/Loan offers grants and loans to property owners or tenants for the updating or rehabilitation of existing upper floor or rear building residential units, or the conversion of existing commercial/residential/mixed-use building space. The objective of the program is to assist with the financing of building improvements to promote the reuse of buildings and increase the number of affordable housing units. Additionally, as a large majority of Kincardine homes were constructed before 1980, this program aims to promote the wellbeing and safety of future tenants by bringing existing affordable/attainable residential units up to proper safety code and maintenance standards.

5.6.2 Eligible Applicants

The program is available to owners or tenants with written authorization from the owner. Some municipalities have restricted allowance to only properties designated within certain districts of the Official Plan to be eligible for this grant. Applicants may be eligible for grants/loans for the rehabilitation or conversion of a maximum of two units.

5.6.3 Payment

Grants or loans will be provided on a one-time basis upon successful completion of the approved project, in accordance with any Financial Assistance Agreement made between the Township and the owner(s).

5.6.4 Program Value

The Municipality may provide up to 50% of eligible construction costs, to a maximum of \$4,000 per unit. If both loans and grants are to be provided, they would be equally apportioned.

5.6.4 Eligibility

The following types of projects may be eligible for the Housing Rehabilitation and Conversion Grant/Loan Program:

- Interior design and restoration to existing upper floor/rear residential units in a mixed-use building to bring units into compliance with the applicable codes and by-laws
- Conversions of existing commercial, residential, or mixed-use building space where two or more upper floor/rear residential units are created

5.7 “Housing First” Surplus Land Program

5.7.1 Purpose

As stated in the Municipality’s Official Plan and Bruce County’s Official Plan, the “Housing First” policy direction makes affordable housing the primary development consideration for potential surplus municipal land. Such lands would be made available specifically through the Request for Proposal (“RFP”) process as a joint project with the municipality. Therefore the “Housing First” Surplus Land Program would see the Municipality and Council work together to identify land that could be considered surplus and then act as an incentive to offset land acquisition costs.

5.7.2 Eligible Applicants

Both the County and Municipality would work cooperatively to determine eligible properties on an individual basis.

5.7.3 Program Value

The intent of this program is for the County and Municipality to work together to determine any surplus property as well as its value. Dependent on the results of the RFP process, lands may be granted at a reduced price or may be granted free of charge.

5.7.4 Eligibility

- Site or project specific criteria can be included in the released RFP by either the Municipality or County
- Any specific criteria will indicate and address the needs of both the Municipality and County as outlined in the Official Plan documents and supporting materials
- Proposals received for development that meet or exceed these criteria and promote the sustainable development of affordable/attainable housing units will be given higher consideration.



6.0 AFFORDABLE HOUSING STRATEGIES

6.1 Tiny Homes

For the purposes of this section, tiny homes will be used interchangeably with secondary suites and coach homes.

Definition and Objectives

Tiny Homes are small accessory suites located in a small freestanding building detached from the principal dwelling but located on the same lot as the principal dwelling. The objective is to achieve affordable housing and increased density in existing neighbourhoods where there are existing services and infrastructures in place. The objective of tiny homes is to gently intensify, increasing and diversifying affordable housing options on residential lands that are developed with detached, semi-detached, duplex, or townhouse dwellings. Under the Provincial website, tiny homes must contain living and dining areas, kitchen and bathroom facilities, and a sleeping area intended for year-round use. Tiny homes must comply with health and safety requirements of Ontario's Building Code, municipal zoning, and all applicable by-laws.

Legislative Authority

Subsection (3) of Section 16 of the Planning Act governs additional residential units in an Official Plan. According to the Act, each municipality is permitted to adopt or amend existing official plan policies to authorize the use of additional residential units ("ARU") in the primary residential unit and another building on the same property.

Subsection (3) An official plan shall contain policies that authorize the use of additional residential units by authorizing

(A) the use of two residential units in a detached house, semi-detached house or row house

(B) the use of a residential unit in a building or structure ancillary to a detached house, semi-detached house or townhouse

Regional Policy

Section 4.4.4.2 - Affordable Housing Policies of the Bruce County Official Plan, permits the following:

Subsection 4.4.4.2.5.d - This plan and local official plans may permit accessory apartments in appropriate residential zones and/or neighbourhoods subject to appropriate standards of health and safety and the provisions of municipal water and sanitary services.

Subsection 4.4.4.2.5.e This plan and local official plans shall support increased residential densities, adequate land supply and residential intensification

Subsection 4.4.4.2.5.e This plan and local official plans shall promote new developments that involve a mix of housing types and densities that will contribute to an efficient utilization of land and services

Subsection 4.4.4.2.5.g This plan and local official plans shall promote alternative development standards on a case-by-case basis for residential developments as a means of improving land use efficiency and providing affordable housing

Eligibility and Zoning Regulations

The following eligibility and zoning regulations have been compiled through cross-referencing a number of policy documents:

1. Build or Buy a Tiny Home under More Homes, More Choice: Ontario's Housing Supply Action Plan
2. How to Plan Your Coach House from the City of Ottawa's Planning, Infrastructure and Economic Development Department
3. Section 3.1 0 Generally Permitted Uses of City of Ottawa's Official Plan Volume 1
4. Coach Houses Summary of Zoning By-Law Regulations from the Township of North Dumfries
5. Second Dwelling Units and Coach Houses from the City of Belleville
6. Section 3.3 General Permitted Uses of Township of Russell's Official Plan
7. Section 1.11 Tiny Houses of the Ontario Building Code

The following eligibility and zoning regulations should serve as a guide only. The Municipality of Kincardine is to determine the most appropriate regulations:

- The lot must be serviced by municipal water, sewage and wastewater services
- If the lot is in a rural area, the lot must be serviced by at least a private well and septic system
- The lot contains a detached, semi-detached duplex or townhouse dwelling unit
- In the case the lot contains a row house, the tiny home must have a direct pedestrian access to a public road by providing a 1.2 metre to 1.5-metre-wide pathway
- The coach house may not be severed from the lot containing the principal dwelling
- The lot must have adequate access for Emergency Medical Services
- No more than one coach house is permitted on a lot
- Must not have more than one dwelling unit
- Tiny homes must be less than 37m² in building area and no less than 17.5m²
- The maximum permitted height of a building containing the coach house shall be lesser than the height of the principal dwelling
- The gross floor area of a building containing a coach house must not exceed 40 percent of the GFA of the principal dwelling, 40 percent of the area of the yard in which it is located, or if the principal dwelling has a GFA of less than 125m², then the GFA of the coach house must not exceed 50m²
- A coach house must not be within 4 m of any building on the adjoining lot

- A coach house must be located on a lot with a minimum width of 16 m, a lot depth of 40 m, and a lot area of 640m².

Zoning Regulations, Official Plan Policies, and Recommended Amendments

Section 6.34 of the Municipality of Kincardine's By-Law 2003-25 ("By-Law") permits one secondary suite to be built in 'Residential' zones, within a 'Single detached dwelling', 'Semi detached dwelling' or 'Row dwelling'. This is consistent with section D1.4.19a of the Municipality's Official Plan ("Official Plan"), which states that one secondary suite may be permitted within a single detached dwelling, semi-detached dwelling or row dwelling. It should be noted that the Official Plan does not permit a secondary suite to be a stand-alone principal unit that is capable of being severed and does not permit the addition of a new driveway for the secondary suite. The By-Law is to provide regulations restricting uses within secondary suites, guiding unit size, parking, and water and sewer servicing requirements, and regulations regarding municipal registration of the secondary suite. This CIP recommends the following amendments to Section 6.34 of the By-Law and Section D1.4.19a of the Official Plan:

1. The Municipality to utilize the existing accessory dwelling unit provisions as well as Ontario Building Code policies, where tiny homes must be less than 37 square metre and no less than 17 square metres, to determine the most appropriate unit sizes.

While the existing By-Law does not contain regulations regulating minimum dwelling unit gross floor area for secondary suites, Section 6.5 of the By-Law regulates the minimum dwelling unit gross floor area for accessory dwelling units. Accessory dwelling units, as defined in subsection 6.5.1 of the By-Law, are permitted above the first storey of non-residential buildings, permitted behind commercial use, and permitted forming an integral part of the building or structure containing a permitted non-residential use. While this cannot be applied to tiny homes, the Municipality may wish to review this regulation in conjunction with the standards in the Ontario Building Code.

- Bachelor dwelling unit - 35 square metres
 - Dwelling unit containing one bedroom - 50 square metres
 - Dwelling unit containing two bedrooms - 60 square metres
 - Dwelling unit containing more than two bedrooms - 60 square metres plus 10 square metres for each bedroom in excess of two
1. The By-Law and Official Plan to include policies pertaining to permitted and prohibited secondary suite uses to preserve the original intent of using tiny homes for Affordable Housing purposes. Sections 6.13 to 6.16 of the By-Law regulate permitted uses within an accessory detached dwelling, permitting professional uses, domestic art uses, agricultural business uses. The Municipality may wish to incorporate prohibited uses in the By-Law to ensure tiny homes are built solely for residential purposes to meet the demand for affordable housing.

2. The By-Law and Official Plan to regulate where a secondary suite is permitted. Based on the review of Zoning By-Laws in the City of Ottawa, Township of Russell, and the Township of North Dumfries, a secondary suite is typically permitted on a lot in a public service area where public or communal services for water and wastewater services are currently provided to the principal dwelling unit.
3. The By-Law and Official Plan to include policies regulating the height and built form of the tiny home in relation to the principal dwelling unit.
4. The By-Law and Official Plan to include policies prohibiting the severance of the lot containing the tiny home from the lot accommodating the primary dwelling unit.

This CIP recommends the Municipality to highlight the following items for further consideration:

1. Permits to be obtained
2. Appropriate inspections during construction
3. Parking requirements
4. Size requirements
5. Rules on municipal services
6. Development charges

This CIP recommends the Municipality to consult with the following stakeholders:

1. Building Code designer/specialists who are registered with the Ontario government
2. Professional planners
3. Architects
4. Engineers

6.2 Inclusionary Zoning

This CIP will discuss inclusionary zoning based on the community interest as indicated in the Plan the Bruce discussion paper. An interview was conducted concerning the use of inclusionary zoning as a tool to incentivize developers to build affordable housing. As indicated in the paper, 82 percent of individuals interviewed expressed strong interest in utilizing inclusionary zoning in the Municipality of Kincardine. This section of the CIP will review the adoption of inclusionary zoning as a tool to promote affordable housing in Kincardine.

Definition and Objectives

Inclusionary Zoning is a policy used to address housing needs within a municipality. Inclusionary Zoning is a tool used to require new residential developments to dedicate a certain percentage of units to affordable housing, catering to low-income, moderate-income, and higher-income households. The intent of inclusionary zoning is to increase the supply of affordable housing, to encourage market housing developments by supporting a diverse range of housing supply, and to create a more inclusive, complete, and equitable community.

Legislative Authority

Section 16 of the Planning Act governs the contents of an Official Plan, with Subsection 16(4) prescribing the policies for Inclusionary Zoning. According to Subsections 16(4), 16(5), and 16(5.1), policies authorizing the inclusion of affordable housing units within buildings or projects containing other residential units shall only be adopted in a protected major transit station area or an area in respect of which a development permit system is adopted or established in response to an order.

This CIP recognizes the adoption of Inclusionary Zoning policies may not be feasible under the existing Planning Act. However, Inclusionary Zoning may be considered in the future.

Official Plan and Zoning By-Law Amendments

Official Plan policies and Zoning By-Law regulations will be amended to regulate inclusionary zoning. The following amendments have been compiled through cross-referencing the City of Toronto's Official Plan and Zoning amendments for inclusionary zoning:

1. Requiring developments located in both a protected major transit station area and inclusionary market area to provide affordable housing
2. Requiring five to ten percent of condominium developments as affordable housing beginning in 2022
3. Increasing requirements incrementally to eight to 22 percent by 2030
4. Ensuring units stay affordable for at least 99 years
5. Setting rents and ownership prices based on new income-based definitions of affordable
6. Monitoring and reporting of the affordable housing to ensure it remains affordable and approach to distributing net proceeds

Recommendations

The debate about inclusionary zoning has often involved discussions around incentives. The adoption of inclusionary zoning may pose a concern for the potential developers and non-profit organizations, where financial incentives would be required to offset the cost of developing affordable units under an inclusionary zoning policy. While inclusionary zoning would present opportunities to gently diversify the supply of affordable housing options and intensify affordable housing supply, this CIP recommends the Municipality to give consideration only to developments that meet the minimum scale for inclusionary zoning to be applied. This CIP further recommends the Municipality to consider other incentives such as removing or reducing parking requirements for affordable housing units secured through inclusionary zoning, expediting the approval process by moving projects to the front of the line in zoning, planning, and building permit processing, or offering full or partial waivers of planning and permitting fees to projects under the inclusionary zoning policy. In addition, the programs recommended under Financial Incentive Programs, such as the Development Charges Relief Program and Affordable Housing Development Loan Program, can also be applied to affordable housing projects secured through inclusionary zoning. The recommendations are to prevent the adverse effect of driving affordable housing developments away from the Municipality.

7.0 MONITORING AND ADMINISTRATION

7.1 Administration Of CIP

1. Upon approval of this CIP, the Municipality Council will designate a member of staff to be the Administrator of this CIP.
2. Once enacted, Council will be the approval authority body regarding decisions on all financial applications. Council may choose to delegate this decision-making process to a committee by resolution with a staff recommendation to do so. The CIP Administrator may be included as a member of this committee or function as a coordinator for the committee.
3. The CIP Administrator will be responsible for ensuring that the process for program applications is carried out in a timely manner with respect to the varying timelines of Council or committee.
4. Decisions on financial incentive applications and agreements will be made by Council or the relevant committee. Should an application be denied, the applicant will be given an opportunity to request that Council or committee reconsider its decision, where applicable. Where Council has designated approval authority to a committee, the applicant will be given an opportunity to appeal a denied application for Council consideration.

7.2 Incentive Program Budget

1. The Municipality Council will create an annual budget for incentive programs listed in this CIP and may reallocate funds to individual programs based on the program successes through the monitoring process outlined below in this document and based on annual municipal priorities.
2. In accordance with the monitoring process below in this document, Council may decide that changes in the funding levels for the programs are necessary or warranted to ensure that this CIP functions properly given the Municipality's financial circumstances at the time. Any change to the funding for the incentive programs of this CIP will be made at the sole discretion of Council.
3. The Municipality shall investigate and apply for external funding sources where possible to support the incentive programs, including Provincial funding sources as they are available, and Provincial or County participation in the financial incentives, wherever possible.

7.3 Monitoring and Evaluation of Programs

The intent of this CIP is to incentivize future investment and development the provision of a diverse housing stock and affordable/attainable housing units. As circumstances, market forces, economic conditions, and financial resources change, the CIP will also need to evolve. Council or its designated committee will have the discretion to determine funding levels for the financial incentive programs. However, to continue informed decision making regarding the implementation budget, and to ensure that the programs are working as intended, the CIP should be monitored, evaluated and updated as required.

6.3.1 Monitoring Process

1. An annual report identifying the projects that received financial support through CIP programs, projects that applied but that did not receive funding, projects completed through the CIP program and the success stories of the CIP incentive programs will be completed by the Municipality and circulated.
 2. Following adoption of the CIP, the CIP Administrator will begin to undertake the activities outlined below:
 3. The CIP Administrator should initially develop a database in order to monitor the number, types and success of financial incentive applications. As applications for financial incentives are received, they should be recorded within this database in order for the Municipality to keep a careful record of these successes.
 4. Certain performance indicators will need to be selected to steer the monitoring process. The selection of these indicators will provide guidance about the success of the Plan and its individual programs. It is proposed that the CIP Administrator gather the following information from applicants (which should be incorporated into the program application form):
 - The number of new affordable/attainable housing units that have been developed and added to the Municipality's attainable housing inventory;
 - The type of new affordable/attainable housing units (e.g., rental or ownership, or the building typology);
 - The location of new affordable/attainable housing units;
 - The length of time the new attainable housing units will be maintained as affordable/attainable
 1. Once the indicators have been selected for inclusion on the program application form, the CIP Administrator should immediately identify the current conditions regarding these indicators, so that variables may be compared annually, upon passing of this CIP.
 2. Based on the information obtained, the CIP Administrator will prepare an annual report to Council or relevant committee to evaluate the CIP and its incentive programs, based on the observed changes to the conditions mentioned above as well as any new challenges that have emerged. The report may suggest updates or amendments to the CIP based on the evaluation and monitoring process. These can include changes to the timing of the program, payment processes and eligibility criteria, to improve the programs offered through this CIP.
 3. The Municipality Council or the delegated committee may choose to pass a resolution implementing some of these changes suggested by the annual report which would take effect immediately following the passing of the resolution.
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APPENDICES

Appendix I: Cost Benefit Analysis

The following table provides an overview of anticipated costs and benefits for each incentive program outlined in the main body of the CIP.

Program	Funding Provided	Anticipated Costs	Foreseen Benefits
Development Charges Relief	The maximum value of the grant shall be 100% of the value of the applicable development charges, to a maximum of \$150,000.00.	<ul style="list-style-type: none"> Up to \$150,000 per approved development 	<ul style="list-style-type: none"> Increased incentive for the development of affordable & attainable housing in the municipality
Property Tax Increment	<p>The maximum value of a grant shall be equivalent up to 50% of applicable costs to a maximum of \$25,000.00 per year for up to 5 years following completion of an applicable project.</p> <p>The maximum value of a loan shall be equivalent up to 50% of applicable costs to a maximum that is equivalent to \$50,000.00 per year over 10-years.</p>	<ul style="list-style-type: none"> Up to \$25,000 per year for each approved project in grants Up to \$50,000 per year for each approved project in loans 	<ul style="list-style-type: none"> Increased development of affordable & attainable housing/units in areas with higher property tax
Added Dwelling Unit	<p>The maximum value of a grant shall be 50% of applicable costs to a maximum of \$10,000.00.</p> <p>The maximum value of a loan shall be 50% of applicable costs to a maximum of \$20,000.00</p>	<ul style="list-style-type: none"> Up to \$10,000 per approved project in grants Up to \$20,000 per approved project in loans 	<ul style="list-style-type: none"> Increased diversification of housing type Greater provision of “missing middle” housing Increased development of higher density affordable & attainable housing units
Affordable Housing Loan	The loan value can vary from a value of \$20,000.00 to \$100,000.00, depending on criteria.	<ul style="list-style-type: none"> Up to \$100,000 per approved development 	<ul style="list-style-type: none"> Increased development of affordable & attainable housing units in the municipality overall

Program	Funding Provided	Anticipated Costs	Foreseen Benefits
Municipal Fee Relief	The amount of refund or grant provided is to be equivalent to the value of the municipal fees.	<ul style="list-style-type: none"> Costs vary based on the types of fees waived/refunded and development size 	<ul style="list-style-type: none"> Increased development of affordable & attainable housing units in the municipality overall
Housing Rehabilitation and Conversion	The Municipality may provide up to 50% of eligible construction costs, to a maximum of \$4,000 per unit	<ul style="list-style-type: none"> Up to \$4,000 per unit 	<ul style="list-style-type: none"> Safer housing for existing and future residents Increased development of higher density affordable & attainable housing units Allows residents to enjoy improved housing amenities without moving to newer and more expensive units
“Housing First” Surplus Land	Lands may be granted at a reduced price or may be granted free of charge. Value is decided on a case-by-case basis.	<ul style="list-style-type: none"> Costs vary based on the value of the land 	<ul style="list-style-type: none"> Greater opportunities for publicly owned affordable housing Greater input from the municipality on affordable & attainable housing developments
Tiny Homes	-	<ul style="list-style-type: none"> Administrative costs to update existing policies & zoning by-laws 	<ul style="list-style-type: none"> Increased diversification of housing types Smaller environmental footprint due to smaller sized homes Opportunities to increase utilization of small land parcels Address immediate need for housing - reducing homeless population
Inclusionary Zoning	-	<ul style="list-style-type: none"> Potential revenue loss: private sector investors may be deterred by this policy and choose to move to other regions that do not have inclusionary zoning implemented. However, this deterrence may be offset by the proposed incentive programs above. Administrative costs to update existing policies & zoning by-laws 	<ul style="list-style-type: none"> Ensures the development of affordable housing units with new developments

Appendix II: Potential Funding Sources

Program	Source	Description
Sustainable Affordable Housing	Federation of Canadian Municipalities (FCM)	This program provides funding for retrofitting existing affordable housing units or constructing new energy efficient affordable housing. This may be particularly compatible with the Housing Rehabilitation and Conversion Incentive program.
Ontario Priority Housing Initiative (OPHI)	Joint program between Bruce County and the Federal and Provincial government	OPHI provides funding for affordable housing through four streams: <ul style="list-style-type: none"> • Rental Housing • Homeownership • Renovations/rehabilitation • Rent supplements
Home Repair Program	Bruce County	<p>This program provides funds for safety, efficiency and/or accessibility upgrades. Only residents within Bruce County are eligible, and they must have an annual income of \$75,000 or less with a home that has a market value of \$340,000 or less.</p> <p>It is noted that this program is currently out of funds, but applications will still be kept on file for consideration.</p>

Appendix III: Case Studies

Many municipalities have prepared CIPs related to affordable or attainable housing and economic development over the previous years. A review of current CIPs in a wide variety of environments offers an opportunity to explore different approaches that may be considered for implementation through this CIP. The following section reviews several recently adopted CIPs and the benefits they have brought to their communities.

City of Barrie Community Improvement Plan

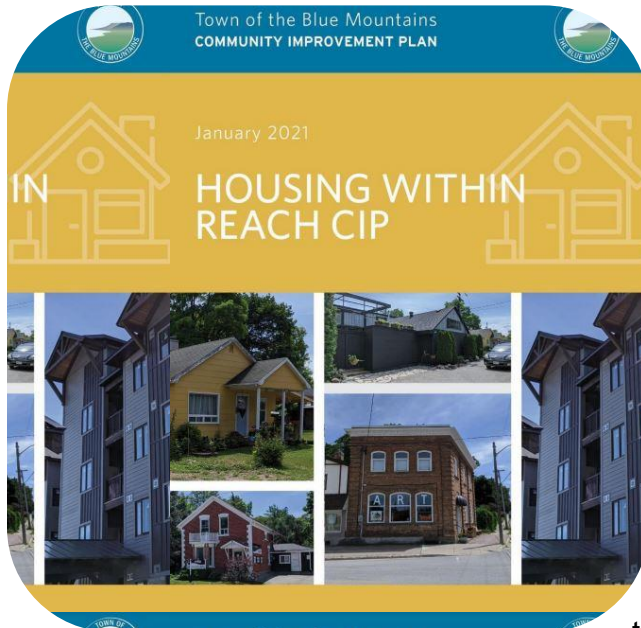
The purpose of the City of Barrie Community Improvement Plan is to facilitate and support key planning and growth management objectives, including the development of affordable housing units as well as a mix of uses within the City's urban centre. With regards to affordable housing, the CIP's objective is to support the provision of a variety of affordable housing units by offering financial support based on a range of housing options. The range of housing options gives specific consideration towards providing housing opportunities to low- and moderate-income households. The City of Barrie CIP is offering two separate grant programs to assist with the goal of affordable/attainable housing provision:



- *Redevelopment Grant Program:* The purpose of the Redevelopment Grant Program is to provide financial incentives to promote the redevelopment of underutilized sites within the UGC or strategic growth areas, and the redevelopment of brownfield sites throughout the City. Financial assistance is provided through a grant subject to the program specific eligibility criteria.
- *Affordable Housing Development Grant Program:* The purpose of this grant is to incentivize the development of purpose-built rental units, affordable housing units (rental or ownership) or the provision of a minimum of 25% of units within a development being provided at market rates, that meet a stated definition of "affordable". Affordable units are required to be registered and maintained as such for a minimum of 20 years. Financial assistance is provided through a grant subject to the program specific eligibility criteria.

Town of Blue Mountains Housing Within Reach Community Improvement Plan

The purpose of the Town of Blue Mountains CIP is to contribute to the housing stock of the Town by offering incentive programs, both in loan and grant form, for a wide variety of development and renovation options within the residential areas. More specifically, the goals and objectives for this CIP include:



- Incentivize the development of attainable housing within the Town.
- Increase the Town's inventory of attainable housing.
- Encourage a mix of housing types and tenure.
- Create attainable purpose-built rental and purpose-built ownership units.
- Encourage the development of certain types of attainable housing in strategic areas of the Town.
- Promote the renovation, repair or rehabilitation of underused or underutilized residential units for the purpose of attainable housing.

As previously mentioned, the Town offers a wide variety of financial assistance programs to help achieve these goals. Most of these programs are administered in the form of a grant or loan and contain specific eligibility criteria as well as a specified payment structure. The list of financial incentive programs includes:

- *Development Charges Grant Equivalent Program:* This program is intended to offset the cost of Town and County development charges that are incurred through the development application and approval process.
- *Tax Increment Equivalent Program:* This program is intended to encourage significant investment in developing attainable housing in the Town by offering a grant or loan to offset increased tax assessment.
- *Municipal Fees Grant or Loan Equivalent Program:* This program is intended to reduce financial costs associated with planning application fees and building permit fees that may be incurred through the development application and approval process.
- *Downtown Apartment Rehabilitation or Conversion Program:* This program is intended to facilitate the rehabilitation of an existing residential unit, or the conversion of existing space in a commercial, residential or mixed-use building space into an attainable housing unit(s) in existing floor space located in the upper-storey or rear portion of a building.
- *Surplus Land Grant Program:* This program enables the Town and County to identify municipally owned lands that are determined to be surplus and that will subsequently be offered through a Request for Proposal ("RFP") process for development purposes. These lands may be offered at a significantly reduced rate or at no cost at all.

Grey County Community Improvement Plan

The purpose of the Grey County Community Improvement Plan is to encourage development momentum across the Region. Utilizing targeted incentives, this improvement plan will tackle the following challenges related to housing stock:

- Increasing attainable housing stock, including secondary suites, multi-unit housing, purpose built rental housing, rooming house developments and apartment dormitory style developments;
- Promotion of the redevelopment and/or conversion of brownfield, vacant, and grey field properties

The incentives that the Grey County plans to implement are:

- *Affordable Housing:* To provide a grant for the rehabilitation of a previous residential unit, or the conversion of a commercial/residential/mixed-use building space into affordable residential units. To assist financing of building improvements that would have previously been cost prohibitive.
- *Surplus land grant:* lands determined to be surplus to the needs of the local municipality will be offered through a request for proposal process for development purposes. First priority to affordable housing units.
- *Development charge exemption/deferral:* assists property owners with financing the cost of the development process by providing an exemption to the amount of applicable local municipal and county development charges.
- *Housing rehabilitation and conversion grant:* provides a grant for the rehabilitation of a previous residential unit, or the conversion of a commercial/residential/mixed-use building space into affordable housing units. Assists financing of building improvements that would have previously been cost prohibitive.



City of London Affordable Housing Community Improvement Plan

The purpose of the City of London Affordable Housing Community Improvement Plan is to assist in the development of affordable housing by providing incentive-based programs which encourage the creation of affordable housing units. The principal goal of the CIP is to create a mix of affordable housing options and increase the inventory of available affordable housing units. The specific goals of the CIP are as follows:

- Reduce financial barriers to developing affordable housing units;
- Promote and encourage the creation of new affordable rental units;
- Support implementation of The London Plan, including the Homeless Prevention and Housing section of the Plan;
- Support the policy framework of the Housing Stability Plan by addressing needs in different housing forms and housing options;
- Support the work of community housing providers, including LMCH;
- Promote and encourage the creation and maintenance of mixed-income, complete communities;
- Support opportunities for infill and intensification from small to large scale (i.e., from Additional Residential Units to high-rise apartment forms);
- Assist in the regeneration of aging neighborhoods and underutilized lands;

City of London

Affordable Housing Community Improvement Plan



In order to achieve these goals and objectives, the City of London Affordable Housing Community Improvement Plan utilizes two major financial incentive programs. These programs are:

- *Affordable Housing Development Loan Program*: A loan program, repayable to the city over a certain number of years. The focus of the program is to encourage private and non-profit housing developers to create new affordable housing units across the CIP area.
- *Additional Residential Unit Loan Program*: A loan program, repayable to the city over a certain number of years. financial assistance to off-set costs associated with creating new additional residential units and to improve the affordability of home ownership.

City of Owen Sound Community Improvement Plan

The purpose of the Owen Sound Community Improvement Plan is to provide incentives to promote and support the following priority development and revitalization projects:

- Increasing attainable housing stock and particularly the supply of rental housing;
- Increasing facility improvement projects and retaining employment opportunities;
- Promoting the redevelopment and/or conversion of brownfield, vacant and grey field properties;

The incentives that the City of Owen Sound plans to implement are:



- *Study and design grant:* assist property owners with financing the costs of undertaking various studies in support of the completion of appropriate due diligence for eligible projects, and encourage a high standard of urban design in private development
- *Brownfield financial tax incentive program:* encourage the revitalization of brownfields and promote the environmental cleanup and rehabilitation of vacant or under-utilized lands that have been contaminated from a former use
- *Tax increment equivalent grant:* stimulate major investment by deferring part of the increase in property taxation as a result of adaptive reuse, building and property redevelopment or rehabilitation.

Town of Petawawa Community Improvement Plan

The Town of Petawawa Community Improvement Plan is more centrally focused on economic development but the Town itself is similar to the Municipality of Kincardine. Both municipalities feature a similar population distribution and both are hosts to prominent energy sector employers. Additionally, an objective of the Town of Petawawa CIP is to encourage development of vacant and/or underutilized land as well as support the revitalization and beautification of the community, existing businesses and future development. The financial incentive programs relevant to the creation of affordable/attainable housing include:

- *Planning, Building Permit and Demolition Fee Grant Program:* This program is intended to offset the cost of Town planning application, building permit and demolition permit fees that are incurred through the development application and approval process. Only Town fees are eligible for this program.
- *Brownfield Redevelopment Grant Program:* This program is intended to encourage the remediation, rehabilitation, and redevelopment of brownfield sites in the Town.
- *Tax Increment Grant Program:* This program is intended to help offset the costs for property owners undertaking redevelopment where the property assessment increases as a result of development, redevelopment, or major improvement, and there is a subsequent increase in municipal property taxes.



City of Peterborough Affordable Housing Community Improvement Plan

The City of Peterborough prepared this Community Improvement Plan to also try and address the issues regarding affordable/attainable housing within the City. Similar to other CIP provisions, this is done through the use of financial incentives to try and stimulate affordable housing investment and development. The goals of the CIP are to:

- Provide for public sector investment in affordable housing opportunities.
- Stimulate private sector investment in the provision of affordable housing.
- Promote the renovation and reuse of underused properties.
- Promote sustainable development including energy efficiency through the development of affordable housing projects.

The financial incentive programs offered by the City to promote affordable/attainable housing development are similar to others suggested in previous research. However, the City of Peterborough encourages those eligible applicants apply to multiple programs instead of just one. Programs outline in this CIP include:

City of Peterborough

Affordable Housing Community Improvement Plan

- *Municipal Incentive Program:* Program to waive certain municipal fees for developments that meet the definition of affordable housing, once an agreement between the city and the landowner is executed. This program will not result in the need for new capital, as certain municipal fees will simply not be collected. Assistance is in the form of a refund or waiving of the fees for a Planning Approval. Parkland dedication or cash-in-lieu would be waived for new development and redevelopments.
- *Development Charges Grant Program:* Program to provide a set amount grant to the applicant based on the number of new affordable housing units established.