

Lakeshore Community Improvement Plan Guide 2025



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References/Acronyms

ARU	Additional Residential Units
CA	Central Area
CIP	Community Improvement Plan
CMHC	Canada Mortgage and Housing Corporation's
CN	Neighbourhood Commercial
CR	Rual Commercial
CS	Service Commercial
CT	Recreational/Tourist Commercial
HAF	Housing Accelerator Fund
HC	Hamlet Commercial
HE	Hamlet Employment
Lakeshore CIP	Lakeshore Community Improvement Plan for Housing and Main Streets and Rural Economic Development
MU	Mixed Use

1. Overview

The 2025 [Lakeshore Community Improvement Plan for Housing and Main Streets and Rural Economic Development](#) (Lakeshore CIP) was developed with the purpose of increasing the supply of housing, encouraging infill development and supporting investment in rural economic development and main streets across the Municipality.

This Lakeshore CIP Guide is intended to serve as a companion document to the Lakeshore CIP and to set out the details and processes for the implementation of Lakeshore CIP. It is also intended to make the application, approval and administrative process for the Lakeshore CIP clear and transparent for Council, staff, applicants and the public.

Please review the Lakeshore CIP along with this Lakeshore CIP Guide before proceeding with the application process. As it relates to applications for incentive programs for rural economic development and main street revitalization, it is also recommended that applicants review the former Belle River Community Improvement Plan's Urban Design Guidelines, 2014 (Urban Design Guidelines) for development located within the Business Improvement Area. Detailed information about the incentive programs, the Lakeshore CIP, the Urban Design Guidelines and copies of the application forms are available on the [Municipality of Lakeshore's website](#).

This CIP Guide may be revised and altered without amending the Lakeshore CIP.

2. Restrictions

In addition to the conditions outlined in the Lakeshore CIP, the following restrictions apply to all incentive programs:

- a. Completed projects must be consistent with the original project description provided by the applicant and approved by the Municipality, all supporting materials and any applicable program agreement.
- b. A landowner or tenant may apply for multiple eligible financial incentive programs over the life of this plan.
- c. **For Housing Incentive Programs:** Projects must receive a building permit between January 1, 2026 and January 1, 2028, and occupancy must be issued within two (2) years of the building permit issuance date.

- d. **For Main Streets and Rural Economic Development Incentive Programs:**
Projects must begin within six (6) months of receiving a notice of approval and be completed within two (2) years thereafter.
- e. It should be noted that an application for a Lakeshore CIP incentive program does not guarantee an approval for a building permit.
- f. Community Planning Department staff may grant an extension for community improvement works beyond the timeline set out above following receipt of a written request by the owner setting out the reasons for the extension.
- g. The Municipality reserves the right to discontinue incentive programs at any time.
- h. Where required, in accordance with the incentive program descriptions outlined in the Lakeshore CIP, the applicant must match the Municipality's financial contribution on a 1:1 ratio.

3. Application Process

The process for the submission, evaluation and approval of incentive programs is detailed separately below for the Housing Incentive Programs, and for the Main Streets and Rural Economic Development Programs.

It should be noted that, while there is no application fee associated with an application for Lakeshore CIP incentive programs, the Municipality is not responsible for any cost associated with an incentive application. In addition, the Municipality reserves the unrestricted right to deny or refuse any application based on project eligibility.

3.1. Housing Incentive Programs

Step 1 Pre-Consultation

Applicants must hold a pre-consultation meeting with Municipal staff prior to submitting an application in order to confirm requirements for a complete application.

Step 2 Application Submission

The intake period will run from **January 19, 2026, to March 6, 2026**, after which all applications will be reviewed and evaluated at the same time. Complete applications are to be submitted to the Community

Planning Department. Applications for incentive programs must include the following:

- A Cover Letter, which must include:
 - An explanation of the person, company and/or organization submitting the application
 - Any sources of additional funding or incentives
 - Relevant details regarding the project
- Lakeshore CIP Incentive Program Application form
 - Applicants shall fill out the form online
 - Project financial information sheet (template provided)
- Detailed project schedule
- Authorization letter to procure credit report
- Copy of the project's most recent site plan drawings and/or any other relevant design drawings
- Any other supporting information requested by Municipal staff

Step 3 Application Review

Once an application has been deemed complete, Municipal staff will review and evaluate applications and their supporting materials. The review process period will end on June 5, 2026. After the review, staff will recommend to Council or its delegate that the successful applicant(s) be awarded the funding.

Applications for incentive programs will be evaluated based on the criteria outlined in Section 4.2.5. The Municipality may, at its discretion, assign scoring to the evaluation criteria without amending this CIP Guide. Where there are multiple competing applicants at the same time, projects that score higher in the evaluation criteria will be favoured to receive funding.

Step 4 Application Approval

As mentioned in Step 3 above, the approvals process may take one (1) to three (3) months, depending on the level of funding being considered.

It is anticipated that the successful applicant(s) will be notified by late summer of 2026.

For applications that are approved, a legal agreement will be required to be registered on the title of the property.

Step 5 Payment

The Lakeshore CIP funding will be provided to the successful recipient in accordance with the payment schedule of the legal agreement.

The Municipality reserves the right to inspect any properties or buildings associated with the application, and to audit the financial costs at the owner's expense upon project completion. Should the applicant default on any of the requirements of the incentive programs established by the Municipality, the incentive(s) may be delayed, reduced or cancelled. Applicants may be required to repay some or all of the incentive amount back to the Municipality.

3.2. Main Streets and Rural Economic Development Programs

Step 1 Pre-Consultation

Applicants must hold a pre-consultation meeting with Municipal staff, prior to submitting an application, in order to confirm requirements for a complete application.

Step 2 Application Submission

The intake period will run **year-round on a first-come, first-served basis, starting in March 2026**. Complete applications are to be submitted to the Community Planning Department. Applications for incentive programs must include the following:

- A Cover Letter, which must include:
 - An explanation of the person, company and/or organization submitting the application
 - Any sources of additional funding or incentives
 - Relevant details regarding the project

- Lakeshore CIP Incentive Program Application form
- Itemized estimates from qualified contractors for all eligible works
- Concept drawings, plans or designs of the proposed improvements and any other relevant design drawings
- Quality photographs of the existing building condition
- List of proposed removals (if any) and additions
- Relevant studies as determined by Municipal staff
- Applications initiated by a tenant must obtain and provide proof of authorization from the property owner
- Any other supporting information requested by Municipal staff

Step 3 Application Review

Once an application has been deemed complete, Municipal staff will review and evaluate applications and their supporting materials. This process may take one (1) to three (3) months, depending on the level of funding being considered. After the review, staff will recommend to Council or its delegate that the successful applicants be awarded the funding.

Applications for incentive programs will be evaluated based on the criteria outlined in Section 4.2.5. The Municipality may, at its discretion, assign scoring to the evaluation criteria without amending this CIP Guide. Where there are multiple competing applicants at the same time, projects that score higher in the evaluation criteria will be favoured to receive funding.

Step 4 Application Approval

As mentioned in Step 3 above, the approvals process may take one (1) to three (3) months, depending on the level of funding being considered.

For applications that are approved, a legal agreement will be prepared and executed.

Step 5 Payment

When projects are completed, a statement with supporting invoices shall be submitted to the Municipality. Following this, the work will be inspected by the Municipality and, if approved, the incentives will be issued.

The Municipality reserves the right to inspect any properties or buildings associated with the application, and to audit the financial costs at the owner's expense upon project completion. Should the applicant default on any of the requirements of the incentive programs established by the Municipality, the incentive(s) may be delayed, reduced or cancelled. Applicants may be required to repay some or all of the incentive amount back to the Municipality.

4. Frequently Asked Questions

4.1. General

4.1.1. Who can apply?

Applicants may be registered or assessed property owners, authorized tenants or assignees.

4.1.2. Is there a fee to apply?

No. while there is no fee to apply, any costs associated with the application process are solely the responsibility of the applicant.

4.1.3. How much funding is being offered?

For Housing, the Municipality has allocated up to \$800,000 of the Canada Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund (HAF) to the implementation of the Lakeshore CIP, to be administered through the available Housing Incentive Programs.

Projects that have site plan approval or that have an approved plan of subdivision with registered lots and can achieve building permit issuance by **January 1, 2028**, will be prioritized, in order to meet the forecasted housing target requirements for the HAF.

For Main Streets and Rural Economic Development, the Municipality has forecasted \$100,000 each year, subject to budget deliberations, for the next five (5) years, towards incentive program funding.

4.1.4. How many projects will be awarded funding from the Lakeshore CIP?

There is no maximum number of projects that can be awarded funding set out in the Lakeshore CIP. The number of projects awarded funding is dependent on the quantity and specifications of eligible applications that are received, and within the context of the Lakeshore CIP's budget limitations.

4.1.5. Are there any other incentives offered by the Municipality?

Not at this time.

4.2. Funding Intake

4.2.1. What incentive programs are available?

There are 16 incentive programs available at this time, as listed below:

Housing

1. Municipal Lands Program¹
2. Forgivable Loan / Capital Grant for Medium Density Housing and Additional Residential Units
3. Fee and Charge Rebates/Waivers for High Density Housing
4. Tax Increment Equivalent Rebate for Rental Housing
5. Accessibility and Sustainability Top-Up Grant

Main Streets and Rural Economic Development

1. Development Charges Grant
2. Planning Application and Building Permit Fee Grant
3. Cash-in-Lieu of Parkland or Parkland Dedication
4. Façade Improvement
5. Accessibility

¹ The Municipal Lands Program will be issued under a separate Expression of Interest or Request for Proposal process.

6. Mural / Public Art
7. Building Restoration, Renovation and Improvement Grant
8. Signage Improvement Grant
9. Structural Repairs Rebate
10. Vacant or Underutilized Property Revitalization Rebate
11. Septic System Improvement Rebate

For a Lakeshore CIP application to be considered, the project must meet the eligibility criteria of the Lakeshore CIP. These eligibility criteria are broadly summarized below in two tables. More detail is available in the Lakeshore CIP.

Table 1: Eligibility Criteria for Housing Incentive Programs

Eligibility Criteria	Housing Incentive Programs
Geography	The Lakeshore CIP applies across the entire Municipality.
Eligible Applicants	Lakeshore CIP applications are open to any registered or assessed property owner, assignee or authorized tenant.
Housing Types	New missing middle housing (semi-detached, duplex, triplex, fourplex, townhouse, walk-up apartments, and higher density), rental housing, affordable housing or additional residential units (ARUs).
Number of Units Provided	New residential buildings creating a minimum of three units or the creation of a new ARU on land with a current residential unit
Affordable Ownership and Rent (where applicable)	Please refer to the affordable rent and ownership values in Section 4.2.2 below for the specific affordable rent and ownership thresholds, based on the Provincial Development Charges Bulletin for Affordable Residential Units.
Affordable Period (where applicable)	New units must be maintained as affordable rental units for a minimum of 10 years.
Project Feasibility	The Municipality reserves the right to require financial information to demonstrate project feasibility.
Servicing	The Forgivable Loan / Capital Grant for Medium Density Housing and Additional Residential Units only applies to

Eligibility Criteria	Housing Incentive Programs
	lands located within a municipal serviced area, where water and sanitary service is available to service the proposal.
Good Standing with the Municipality	Applicants must be in good standing with respect to by-laws, property taxes and/or other financial obligations to the Municipality, and they must not be involved in ongoing litigation with the Municipality.

Table 2: Eligibility Criteria for Incentive Programs related to Main Streets and Rural Economic Development

Eligibility Criteria	Main Streets and Rural Economic Development Incentive Programs
Geography	The Lakeshore CIP applies to the “Primary Settlement Areas” and “Secondary Settlement Areas” as identified by the Municipal Official Plan and delineated on Schedule “A”.
Eligible Applicants	Lakeshore CIP applications are open to any registered or assessed property owner, assignee or authorized tenant.
Payment / Reimbursement	All development charges and fees must be paid prior to undertaking any approved work.
Zoning	Hamlet Commercial (HC), Hamlet Employment (HE), Service Commercial (CS), Central Area (CA), Mixed Use (MU), Neighbourhood Commercial (CN), Recreational/Tourist Commercial (CT) and Rural Commercial (CR)
Primary Use of Property / Building	Commercial or Mixed Use (with residential units above a commercial use)
Vacancy	For the purpose of the Vacant or Underutilized Property Revitalization Rebate incentive program, buildings are considered vacant if they have been unoccupied for at least 12 months.

Eligibility Criteria	Main Streets and Rural Economic Development Incentive Programs
Compliance	All demolitions, improvements, renovations and construction must be in accordance with provincial codes and regulations as well as the Municipality's by-laws.
Servicing	<p>The Septic System Improvement Rebate is only eligible to properties located outside a municipally serviced area, and where their site conditions can support the installation of a private individual septic system.</p> <p>All other programs are subject to municipal sanitary capacity being available and properties must be located within a municipally serviced area. Applicants remain responsible for paying for water and wastewater connection fees as well as building permit fees.</p>
Good Standing with the Municipality	Applicants must be in good standing with respect to by-laws, property taxes and/or other financial obligations to the Municipality, and they must not be involved in ongoing litigation with the Municipality.

4.2.2. How does the Municipality define “affordability”?

The province defines affordability through the Development Charges Bulletin for Affordable Residential Units². This information is updated annually, and as such, the threshold for the Lakeshore CIP Guide is based on the 2025 data. Applicants should consult with staff and this Guide for any updates to the thresholds.

The affordable ownership housing is priced at or below the lesser of an income-based purchase price and a market-based purchase price (i.e., 90% of the average purchase price). In the Municipality, the affordable purchase prices by housing type are as follows:

- Detached House, Semi-Detached House: \$491,400

² *Affordable Residential Units for the Purposes of the Development Charges Act, 1997* Bulletin.

- Condominium Apartment, Row/Townhouse: \$369,000

For a rental unit to be considered affordable, its monthly rent must be at or below the lesser of an income-based rent and a market-based rent. In the Municipality, the affordable monthly rents are as follows:

- Bachelor units: \$899
- One-bedroom units: \$1,116
- Two-bedroom units: \$1,387
- Three-or-more bedroom units: \$1,267

4.2.3. Why do I need to provide financial information in my application?

Financial information is required to demonstrate the project’s financial feasibility, ensure that the project is financially viable, and assure the Municipality that the project will be completed and occupied within the required time period.

4.2.4. How will I know if my application is eligible?

Municipal staff will notify all applicants of their eligibility once their application has been received and reviewed.

4.2.5. How will eligible applications be evaluated and awarded?

Projects that meet the eligibility criteria outlined in the Lakeshore CIP and in Section 4.2.1 will advance to the evaluation process. Each eligible application will be evaluated based on the criteria below.

Table 3: Evaluation Criteria for Housing Incentive Programs

Funding Criteria for Housing	
Evaluation Criteria	Considerations
Eligibility	Project meets eligibility criteria
Strategic Alignment	Alignment with the Lakeshore CIP Goals <ul style="list-style-type: none"> • Supports intensification in settlement areas • Exceeds minimum Building Code standards for accessibility and environmental impact

Funding Criteria for Housing	
Affordability	<ul style="list-style-type: none"> • Amount of affordable units • Degree of affordability • Duration of affordability • Priority is given to rental units
Development Application Status	<ul style="list-style-type: none"> • Status of development application (shovel-ready projects³ will be prioritized) • Project plan
Applicant Qualifications	<ul style="list-style-type: none"> • Experience constructing/ managing the proposed housing types • Additional general qualifications including but not limited to applicant/company maturity
Development and Operational Feasibility	<ul style="list-style-type: none"> • Project financial feasibility • Applicant's financial competence • Long-term operational plan • Project plans and drawings

Table 4: Evaluation Criteria for Incentive Programs related to Main Streets and Rural Economic Development

Criteria for Main Streets and Rural Economic Development	
Evaluation Criteria	Considerations
Eligibility	Project meets general eligibility criteria
Strategic Alignment	Alignment with the Lakeshore CIP Goals
Creating Growth	<ul style="list-style-type: none"> • Number of employment opportunities the project will create, including hiring of local contractors / trades • Other economic impacts, if any

³ “Shovel-ready” means a project do not need an official plan amendment or a zoning by-law amendment. The project should have site plan approval (if applicable), and do not need a minor variance (or have already received approval for minor variance).

Criteria for Main Streets and Rural Economic Development	
Development Application Status	<ul style="list-style-type: none"> • Status of development application (building permit must be issued within 6 months of the Lakeshore CIP application) • Conforms with applicable by-laws (e.g. By-law #107-2007, as amended) • Project plan
Quality and Impact	<ul style="list-style-type: none"> • Degree of visual and aesthetic improvements • Exterior improvements to buildings facing a public street are prioritized • Alignment with applicable design guidelines

Once the staff evaluation team has completed the evaluation process, final recommendations will be prepared through a staff report for Council’s consideration, authorization of the Lakeshore CIP funding award and subsequent legal agreement execution.

4.3. Submission Details

4.3.1. What are the submission requirements?

The submission requirements are listed under Section 3 of this Lakeshore CIP Guide.

4.3.2. When is the submission deadline?

For this intake period, applications for Housing Incentive Programs will be accepted from January 19, 2026 to March 6th, 2026 (inclusive).

For incentives under the Main streets and Rural Economic Development programs, these are offered year-round on a first-come, first-served basis, starting in March 2026.

4.4. Application Status

4.4.1. How will I know if I have been awarded funding through the Lakeshore CIP?

The process may take one (1) to three (3) months, depending on the level of funding being considered. Successful applicants will be notified.

For applications that are approved, a legal agreement will be prepared and executed.

4.4.2. What if I am not successful in the application for incentive programs in the Lakeshore CIP?

Applicants who are unsuccessful in the first round of application can re-apply in the next round of applications, starting in late 2026.

4.5. Terms of Funding

4.5.1. How will funding be administered?

All successful applicants will work with the Municipality's legal staff to draft and execute all necessary legal agreement(s). Agreements will set out specific terms and conditions of the funding, and a payment schedule will be included.

For the Housing Incentive Programs, the agreements may identify required construction timelines or project milestones to ensure that projects receiving funding are committed to moving forward with their projects expeditiously. Agreements will also identify annual reporting requirements for affordable housing units, if applicable.

For the incentive related to Main Streets and Rural Economic Development, the recipient of the funding must provide proof that the project is complete and provide proof of payment of contractors, photos, and confirmation from the Municipality's Building Department.

The Municipality may discontinue, rescind or have an applicant repay any financial incentive, plus interest, where there is non-compliance with an executed agreement, including reporting requirements to ensure affordability is maintained per the agreement (if applicable).

4.5.2. Will the legal agreement be required to be registered on the Land Title?

Recipients of Housing Incentive Programs will be required to enter into an agreement that sets out the terms and conditions of the Lakeshore CIP funding and register this agreement on the title of the applicable property.

Recipients of incentives for the Main Streets and Rural Economic Development programs will also be required to enter into an agreement with the Municipality, and may need to register on title.

4.5.3. Can I sell my rental property within the affordable period?

Recipients of Lakeshore CIP funding under the Housing Incentive Programs may be required to register a restriction pursuant to Section 118 of the Land Titles Act that states no transfer of the property shall be made or charged on the property created without the prior consent of the Municipality.

Where applicable, if a rental building that has been awarded funding from the Lakeshore CIP is constructed on property is sold, the purchaser of that property must enter into an agreement with the Municipality prior to completion of the sale, ensuring that the rental units stay affordable for the remaining duration of the affordable period.

A minimum affordability period of 10 years is required for all applications submitted in order to qualify for Lakeshore CIP funding.

4.5.4. Can I increase the rent amount annually?

Yes, provided the rent continues to meet the Lakeshore CIP's affordable rental thresholds and is in accordance with relevant provincial regulations. Applicants who are awarded funding through the Lakeshore CIP will be required to submit annual reporting to verify affordability commitments.

5. Administration, Monitoring and Reporting

5.1. Monitoring and Reporting

The following indicators will be monitored on an individual project and aggregate basis for the Lakeshore CIP:

- Number of applications by program type
- Number of units/square footage constructed
- Amount of the incentives provided
- Value of building permits issued (\$)
- Value of private sector investment leveraged (\$)
- Jobs created, if applicable
- Other qualitative criteria as deemed appropriate

Municipal staff will select and present the above indicators relevant for the status of the Lakeshore CIP and its programs. The number of development projects and the number of units involved will be monitored regularly to determine the effectiveness of the Lakeshore CIP in achieving revitalization of main streets, economic sustainability and housing growth.

The feedback received from users of the Lakeshore CIP regarding eligibility requirements and the administrative process will also be monitored and reviewed on a regular basis. The performance measures of the Lakeshore CIP will be reported to Council.

The monitoring results will be used to improve the Lakeshore CIP by recommending adjustments, such as eligibility requirements, levels of funding, and the administration process.

6. Contact Information

For more information on the Lakeshore CIP, please visit the Municipality's website at <https://www.lakeshore.ca/en/municipal-services/community-improvement-plan.aspx>

Inquiries can be made to the Municipality of Lakeshore's Community Planning Department by email at housing@lakeshore.ca or by phone at 519-728-2700.

Appendix A: Conditions for CIP Incentive Programs

Conditions for All Incentive Programs

The following conditions are applicable to all financial incentive programs in the CIP:

1. Eligible program participants include registered property owners, assessed property owners, tenants (with the written authorization of the property owner) and assignees as identified in Section 28(7) of the Planning Act.
2. All proposed development shall conform to the Municipality of Lakeshore Official Plan, Zoning By-law, and other municipal by-laws, provisions, standards and guidelines, and other planning and building requirements or approvals.
3. All improvements shall be made pursuant to a building permit and constructed in accordance with the Ontario Building Code, and Ontario Fire Code where required.
4. All proposed development must meet the goals of the CIP. The Municipality of Lakeshore reserves the right to determine whether a proposed project best meets the goals of the CIP.
5. In accordance with Section 28(7.3) of the Planning Act, the maximum amount of financial incentives that is provided in respect of the lands and buildings shall not exceed the eligible cost of the CIP with respect to those lands and buildings.
6. Property taxes shall be in good standing at the time of the application and throughout the length of any incentive commitment. Where arrears exist, an application shall not be approved and/or incentives shall not be advanced until arrears are eliminated.
7. There shall be no outstanding payments with respect to other municipal accounts or invoicing at the time of application and throughout the length of any incentive commitment. Where outstanding payments exist, an application shall not be approved and/or incentives shall not be advanced until arrears are eliminated.

8. The owner and/or application of the property shall not be involved in any ongoing litigation with the Municipality.
9. There shall be no outstanding orders issued by the Municipality against the property. Orders against the property shall be complied with prior to consideration of any application or otherwise shall be rectified as may be required by the Municipality on a timeline acceptable to the Municipality.
10. Municipal Council shall determine the contribution to be made available to the various programs under the CIP. The financial incentive programs available under this CIP shall be administered by municipal staff within the budget established by Council. Projects that result in over expenditure to what has been allocated to the CIP's program(s) by Municipal Council shall have an approved funding amount adjusted to meet the budget allocated, or the project may be considered at a later time pending available funding, or not be approved, at the discretion of the Municipality.
11. The Municipality shall not be responsible for any costs incurred by an applicant in relation to applying for any of the incentive programs.
12. Incentive programs shall not apply to any required performance securities (i.e., Letter of Credit) posted by the proponent, to expenses incurred by the applicant because of Ontario Land Tribunal or Court proceedings.
13. The Municipality reserves the right to audit any studies and/or works approved under an incentive program.
14. Assistance granted under any of the financial incentive programs to a particular property is not transferable to another property.
15. If the applicant is in default of any program requirements or any other requirement of the Municipality, the Municipality may delay, reduce, or cancel its financial incentive program approval.
16. The Municipality may, at its discretion and without further amendment to the CIP, extend or discontinue any program when and as it deems appropriate. Notwithstanding this, participants in various programs prior to the discontinuation may continue to receive approved incentives after the closing of the program, as determined through an individual agreement with the Municipality and subject to available funding approved by the Municipality.
17. Final decisions with respect to applications and the allocation of funds shall be made by Municipal Council or their designate. Furthermore, the

Municipality has discretion on the amount of rebates, loans, or deferrals to be awarded to any successful applicant.

18. As a condition of approval, the applicant and/or owners of the property may be required to enter into agreements with the Municipality. Depending on the nature of the program for which the applicant and/or property owners has applied, these agreements may be registered on the title of the applicable property. The agreement may be made with respect to terms, duration, default, penalty, and termination provisions of the financial incentive. If the agreement is between a tenant and the Municipality, the property owner(s) must consent to the agreement.
19. Completed projects must be consistent with the approved project description submitted by the applicant. Any significant changes in design or scope of the project must be approved by the Municipality. The Municipality reserves the right to decrease the total of the monies associated with the financial incentives if the scope of work changes and the actual costs differ from the estimated costs.
20. Under no circumstance will the Municipality provide funding under this CIP for a project that commenced construction before the date this CIP came into force. Works commenced after submitting an application but prior to the execution of an agreement are done at the applicant's risk.
21. Any new rental dwelling unit developed with the support of a financial incentive under this Plan shall not be permitted to be used for short-term accommodation purposes (e.g., Airbnb, VRBO). A unit found to be used for short-term accommodation (i.e., for a rental period of less than 28 consecutive days in exchange for payment) will be considered in default of the agreement.

Conditions for Incentive Programs Specific to Affordable Housing

To ensure the effective use of public funds and the successful achievement of the Municipality of Lakeshore's housing goals, all applicants approved for financial incentives under the housing programs of this CIP shall be required to enter into a formal agreement with the Municipality. This agreement will be subject to the following conditions, which are designed to guarantee that the incentivized units contribute to the local housing supply as intended:

1. **Binding Legal Agreement:** The applicant must enter into a legal agreement with the Municipality. This agreement will be registered on the title of the property and shall be binding on the current owner as well as their heirs, successors, and any future transferees of the property. For projects that receive funding for affordable housing, the agreement secures the loan or grant against the property and outlines the affordability requirements.
2. **Definition of Affordable Housing:** For a unit to be considered "affordable" and, therefore, eligible for specific incentives, it must meet the definition established in this CIP. This definition is aligned with the dual-criteria (income-based and market-based) approach outlined in the Provincial Planning Statement (2024), or as amended, and the Provincial Bulletin for the Development Charges Act, 1997. This ensures consistency and allows applicants to leverage other statutory exemptions for affordable housing, such as those for Development Charges and Parkland Dedication.
3. **Affordability and/or Rental Period:** For programs related to affordable or rental housing, the incentivized unit shall be maintained at the required affordability level and/or as a long-term rental unit for a specified period, as defined in the agreement. For significant capital incentives, such as forgivable loans or TIER, this period will typically be a minimum of 10 years. For other incentives, such as those for Additional Residential Units (ARUs), a different term may be specified.
4. **Prohibition of Short-Term Rentals:** To ensure all new units contribute to the permanent housing stock, any unit receiving an incentive under this CIP is explicitly prohibited from being used as a short-term rental or for short-term accommodation (e.g., listing on platforms such as Airbnb, VRBO, or another comparable platform) for the entire duration of the term outlined in the agreement.
5. **Annual Compliance Monitoring:** The property owner must provide an annual statement to the Municipality confirming that each incentivized unit continues to meet the conditions of the agreement. To receive any annual rebate (e.g., TIER) or to maintain a forgivable loan in good standing, the owner must provide unequivocal proof that each unit meets the required affordability and/or rental criteria, if applicable. This proof may include, but is not limited to, signed lease agreements, rent rolls, or other documentation satisfactory to the Municipality.

6. **Consequences of Non-Compliance:** If the property owner fails to meet their obligations under the agreement, the owner shall be required to repay the financial benefits received.
 - For upfront grants or forgivable loans, a failure to comply with the terms for the full period will require the repayment of the grant, which may be prorated based on the number of years of successful compliance, plus any applicable costs and interest.
 - For TIERS, a failure to demonstrate compliance in any given year will result in the forfeiture of the rebate for that year.
7. **Stacking of Incentives:** Applicants are permitted and encouraged to combine ("stack") municipal incentives from this CIP with funding from other sources, including the County of Essex, the Province of Ontario, and the federal government (i.e., CMHC). To ensure transparency, applicants must disclose all sources of government funding for the project to the Municipality as part of their application.
8. **Additional Requirements:** The agreement shall contain any other standard contractual provisions and project-specific requirements as deemed reasonable and necessary by the Municipality to ensure the objectives of the CIP are met.