

Municipality of Lakeshore

CIP Needs Assessment Background

**Lakeshore Community Improvement
Plan for Housing and Main Streets and
Rural Economic Development**

2025



Table of Contents

1. Introduction.....	1
1.1 Project Overview	1
1.2 Purpose of the CIP Needs Assessment Backgrounder	1
1.3 Background Documents and Data Reviewed	2
2 Current Context in Lakeshore	3
2.1 Policy Framework and Baseline CIP Conditions.....	3
2.1.1 Rural/Main Streets	3
2.1.2 Housing	7
2.2 CIP Best Practices and Precedents.....	19
2.2.1 Rural/Main Streets	19
2.2.2 Housing	20
2.3 Site Visit of Lakeshore’s Main Streets.....	20
2.3.1 Belle River	21
2.3.2 Maidstone & Lakeshore West	22
2.3.3 Stoney Point / Point-Aux-Roches	23
2.3.4 Comber	24
2.3.5 Lighthouse Cove	26
2.3.6 North/South Woodslee	27
2.3.7 St. Joachim.....	27
2.3.8 Ruscom.....	28
3 Assessing Lakeshore’s CIP Needs for Rural Economic Development and Housing.....	29
4 Recommended Incentive Programs and Eligibility Parameters.....	34
4.1 Rural Economic Development.....	34
4.1.1 Recommended Incentive Programs.....	34
4.2 Housing.....	38
4.2.1 Foundational Requirements and Structural Program Elements.....	38
4.2.2 Recommended Incentive Programs.....	39
Appendices	
A CIP Best Practices Review Matric	

Acronyms, Abbreviations, Definitions

ADUs	Accessory Dwelling Units
ARUs	Additional Residential Units
BCPI	Building Construction Price Index
BIA	Business Improvement Area
CIP	Community Improvement Plan
CMA	Census Metropolitan Area
CMHC	Canada Mortgage and Housing Corporation
County OP	County of Essex Official Plan
DC	Development Charges
DC Act	Development Charges Act
EOI	Expression of Interest
HAF	Housing Accelerator Fund
HNA	Housing Needs Assessment
MECP	Ministry of Environment, Conservation and Parks
OP	Official Plan
PPS	Provincial Planning Statement
RED	Rural Economic Development
RFP	Request for Proposal
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TIER	Tax Increment Equivalent Rebate
the Municipality	The Municipality of Lakeshore

Zoning Symbol and Title

A	Agriculture
CA	Central Area
CN	Neighbourhood Commercial
CR	Rural Commercial/Employment
HR	Hamlet Residential
MU	Mixed Use
R1	Residential – Low Density
R2	Residential – Medium Density
RW1	Residential Waterfront – Watercourse
RW2	Residential Waterfront – Lake St. Clair (Lake Saint Claire)
UR	Urban Reserve

1. Introduction

1.1 Project Overview

The Municipality of Lakeshore (the Municipality) has initiated the creation of a new Community Improvement Plan (CIP) to address key strategic priorities. This project will deliver two distinct sets of CIP incentive programs, integrated into a single CIP document:

- One set of incentive programs will focus on stimulating the supply of housing to meet the objectives of Canada Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund (HAF); and
- The second set of incentive programs will focus on bolstering the economies of Lakeshore's rural communities and revitalizing its main streets, in alignment with the Rural Economic Development (RED) program.

This work will result in replacing the existing CIP with an updated, expanded, modernized, and Lakeshore-wide community improvement framework for the Municipality, which will provide a dynamic toolkit of financial incentives and programs. These tools will be designed to attract investment in the development of new housing and support the prosperity and enhancement of local businesses and community hubs.

1.2 Purpose of the CIP Needs Assessment Backgrounder

The purpose of this CIP Needs Assessment Backgrounder (backgrounder) is to synthesize the foundational research and analysis undertaken in the first phase of the project, namely:

- An analysis of the policy framework and baseline CIP conditions, including existing definitions of “affordability”;
- A review of CIP best practices and precedents to incentivize housing and rural economic development, respectively;
- A site visit and windshield survey to Lakeshore's communities to assess current conditions and gauge the overall “experience” of each area;
- A gap analysis to identify strengths, weaknesses, opportunities, and threats (SWOT) for the CIP; and,
- An analysis of CIP trends and incentives to identify local community improvement needs.

By presenting an overview of the current context, identified needs, and strategic opportunities related to housing and rural economic development in Lakeshore, this backgrounder serves as the primary evidence-based document for the project. Its findings will directly inform the creation of specific financial incentive programs and eligibility criteria to be detailed in the new draft CIP.

1.3 Background Documents and Data Reviewed

The project team reviewed the following background documents and data to inform this report:

- Provincial Planning Statement (2024)
- County of Essex Official Plan¹ (OP) (2024)
- Municipality of Lakeshore Official Plan (final draft for Council adoption, March 2021)
- Municipality of Lakeshore Strategic Objectives (2022 to 2026)
- Municipality of Lakeshore Zoning By-law (Council-adopted January 10, 2012, and modified December 2, 2019)
- Belle River CIP and supporting documents
- Development Charges (DC) By-law 89-2020 and supporting documents
- Affordable Residential Units for the Purposes of the *Development Charges Act, 1997* Bulletin
- Parkland Dedication By-law 110-2024
- Lakeshore Housing Needs Assessment (March 25, 2025)
- CMHC–Lakeshore HAF Contribution Agreement (signed January 24, 2025), and supporting documents
- Report to Council – Housing Accelerator Fund Implementation Plan and Partnership with University of Windsor Centre for Cities (February 11, 2025)
- Ontario Rural Economic Development Agreement (2024)

Presented in the following section is a summary of the current CIP context for housing and rural economic development in Lakeshore.

¹ The County of Essex New Official Plan is pending approval from the Ministry of Municipal Affairs and Housing.

2 Current Context in Lakeshore

2.1 Policy Framework and Baseline CIP Conditions

2.1.1 Rural/Main Streets

Rural economic development is crucial for fostering balanced growth and ensuring the well-being of communities located outside of major population centres. The policy framework for rural economic development at the provincial, upper- and lower-tier municipal levels acts as a guide for investment in businesses located in rural areas and main streets.

Provincial and County Policy Framework

The Provincial Planning Statement 2024 (PPS) The Provincial Planning Statement provides policy direction on matters of provincial interest related to land use planning and development. It sets the policy foundation for regulating the development and use of land province-wide, helping achieve provincial goals. Regarding the development of rural communities, the PPS states that:

- healthy integrated and viable rural areas should be supported by, “building upon rural character, and leveraging rural amenities and assets” (Policy 2.5.1.a, pg. 11); and
- in rural areas, rural settlement areas “shall be the focus of growth and development and their vitality and regeneration shall be promoted” (Policy 2.5.2, pg. 11)

Regarding sewage and water servicing, the PPS states that, while municipal sewage services and municipal water services are the preferred form of servicing for settlement areas, that:

- where municipal sewage services and municipal water services are not available, planned or feasible, private communal sewage services and private communal water services are the preferred form of servicing for multi-unit/lot development to support protection of the environment and minimize potential risks to human health and safety (Policy 3.6.3, pg. 19); and
- where municipal sewage services and municipal water services or private communal sewage services and private communal water services are not available, planned or feasible, individual onsite sewage services and individual on-site water services may be used

provided that site conditions are suitable for the long-term provision of such services with no negative impacts (Policy 3.6.4, pg. 19).

The County of Essex Official Plan (2024) was adopted by County Council on November 6, 2024, but remains with the Ministry of Municipal Affairs and Housing for final approval. It takes the policies set out within the 2024 PPS and applies them based on the County's specific context. It states that Primary Settlement Areas are characterized by having the highest concentration of commercial uses and services intended to meet the daily needs of residents, including having a commercial core or downtown (Policy 4.A.2.2.c, pg. 33). In the County's Official Plan the Highway 22 corridor, including Belle River, Puce, Emeryville and Saint Clair (St. Clair) Beach are designated as Primary Settlement Areas on Schedule A2. Comparatively, in Secondary Settlement Areas, a smaller mix of commercial uses and services may be present, with or without a downtown core (Policy 4.4.3.2.c, pg. 35). Stoney Point/ Point-Aux-Roches, Lighthouse Cove, Woodslee, Comber and St. Joachim are designated as Secondary Settlement Areas on Schedule A2. Hamlets like Ruscom and Staples, as designated on Schedule A2, are not intended to be the focus of growth (Policy, 4.A.4.1, pg. 36) or to meet the daily commercial needs of residents (4.A.4.2.d, pg. 37).

Where it relates to servicing, the County of Essex Official Plan states that the use of private, communal water and wastewater services and individual on-site water services must be consistent with the PPS and shall only be used when municipal water and wastewater services are not available and the area being serviced is limited to small-scale infill sites (Policy 9.A.2, pg. 127). Where local official plans permit minor infill in hamlets on individual wastewater systems these systems must be consistent with current Provincial guideline and will only be permitted where it can be demonstrated that there are no adverse impacts on soil, surface or groundwater quality and quantity and where it is in accordance with the applicable policies within the Essex Region Source Protection Area Plan (Policy 9.A.5, pg. 128)

Lakeshore Official Plan & Community Improvement Policies

The Municipality of Lakeshore Official Plan (OP) was approved by the Ontario Municipal Board on November 22, 2010. In 2015, the Municipality initiated a review of its OP to reflect new planning policies at the county and provincial levels. A final draft was presented to and adopted by municipal Council as OPA 16 in March of 2021. It remains at the County of Essex awaiting final approval. The OP implements the policies set out by the County at the local level.

Primary and Secondary Settlement Areas are intended to function as focal point for growth, development and urban activities (Section 3.3.1 pg. 26). Primary Settlement Areas consist of the Belle River Urban Area, Wallace Woods and the Maidstone Area (Table 3.2, pg. 24). Comber, Stoney Point / Pointe-Aux-Roches, and Lighthouse Cove are designated as Secondary Settlement Areas in Table 3.2 and are intended to experience moderate growth. Primary Settlement and Secondary Settlement Areas will accommodate a full range and mix of residential, commercial and community-related employment, office, institutional, entertainment, cultural, recreational and open space uses, subject to servicing availability (Policy 3.3.1.a, pg. 27). North/South Woodslee, Ruscom, St. Joachim, and Staples are designated as Secondary Settlement - Hamlet Areas in Table 3.2 and are characterized as small, rural and predominantly residential Secondary Settlement Areas that provide limited commercial, institution and recreational services to the surrounding agricultural community (Section 3.3.3, pg. 31). They may continue to experience limited growth through infilling and the development of vacant lands (Policy 3.3.1.a, pg. 32). However, they may accommodate a range of commercial, institutional and recreational services (Policy 3.3.3.b, pg. 32).

Regarding economic development, the OP states that it will promote opportunities for economic activity by adopting different strategies for different parts of the Municipality (Policy 4.4.1.a, pg. 82). It also states that it supports the use of Community Improvement Plans (CIP) to proactively stimulate community improvement, rehabilitation and revitalization of areas in need of improvement (Policy 4.4.1.f, pg. 83). It further states that Lakeshore may undertake a CIP and promote the economic revitalization of established Primary and Secondary Nodes, which include Comber, Stoney Point/Point-Aux-Roches, Belle River, Wallace Woods and Lakeshore West (Policy 4.4.3.d, pg. 84, Schedule A).

Where it pertains to water and wastewater servicing, the OP states that priority will be given to the development of land that is serviced by piped water and sewer systems or areas that can easily be serviced at minimal expense (Policy 7.3.1.1.c, pg. 200) and that development including lot creation on private servicing systems will generally not be permitted (Policy 7.3.1.1.e, pg. 200). However, exceptions will be considered in areas not serviced by municipal water and/or sewage services for the purpose of minor infilling or rounding out of development as long as certain criteria are met (Policy 7.3.1.1.e, pg. 200). In this case, minor infilling and rounding out of development is interpreted to mean the development of not more than three existing lots

of record that are contiguous or abut existing development, have frontage and access to an improved public road that is maintained year-round.

Existing Community Improvement Plan: Belle River BIA

The Municipality's only active Community Improvement Plan is the Belle River Business Improvement Area (BIA) Community Improvement Plan, established by By-law 154-2008. The CIP's programs are geographically limited to the commercial core of Belle River and are designed to stimulate investment in property revitalization and beautification. The available incentives include:

- **Façade Improvement Grant:** Up to 50% of renovation costs (maximum \$5,000) for building facades and signs.
- **Property Tax Increment Grant:** A rebate on the municipal portion of property tax increases resulting from redevelopment projects.
- **Planning & Building Fee Grants:** A 50% grant for planning application fees and building permit fees (up to \$1,000).
- **Other Grants:** Programs for DC relief, accessibility improvements, and public art.

Since 2014 there have been 22 successful applications for the Belle River CIP's incentive programs, which represents an average of two applications per year. Most of the applicants sought funding for façade improvements for properties located along Notre Dame Street with funding amounts ranged from \$500 for small-scale façade improvement, to over \$6,600 for an application that combined funding from multiple incentive programs. Based on the property addresses, it appears that owners or tenants who are aware of the incentive programs often make multiple funding applications.

Unfortunately, the current CIP's narrow geographic and programmatic focus does not address the needs of other communities in Lakeshore or consider broader economic development objectives like job creation.

Zoning By-law Implementation

Lakeshore's Zoning By-law 2-2012 is the primary tool for implementing the OP's policies regarding commercial uses. The by-law contains several commercial zones including one for Rural Commercial/Employment (CR), one for Neighbourhood Commercial (CN) and two mixed-use zones, a Central Area (CA) and a Mixed Use (MU) zone. The CA and MU zones provide for a wide array of commercial uses including but not limited to animal clinics,

eating establishments, retail establishments and shopping centres. The CR and CN zones permit a more limited number of uses intended to fit the character of rural and lower density communities.

2.1.2 Housing

The policy framework for housing in Lakeshore is a multi-layered system guided by provincial, county, and local directives. This framework, combined with the financial context of development-related charges, sets the stage for how and where housing is developed, with an increasing emphasis on supply, diversity, and affordability. While the Municipality's existing Belle River CIP does not currently address housing, its established structure provides a foundational tool that could be adapted or expanded to incentivize the specific types of housing development that the community needs.

Provincial and County Policy Framework

At the highest level, the PPS 2024, mandates that:

- planning authorities maintain a 15-year supply of residential land (Policy 2.1.4.a, pg. 6) and a 3-year supply of serviced, zoned units (Policy 2.1.4.b, pg. 6);
- municipalities plan for an “appropriate range and mix of housing options and densities to meet projected needs” (Policy 2.2.1, pg. 7);
- municipalities establish and implement “minimum targets for the provision of housing that is affordable to low- and moderate-income households” (Policy 2.2.1.a, pg. 7); and,
- planning authorities establish and implement “minimum targets for intensification and redevelopment within built-up areas, based on local conditions” (Policy 2.3.1.4, pg. 8).

The County of Essex Official Plan (2024) (County OP) translates this provincial direction to the regional scale. It establishes a framework that encourages a diverse mix and range of housing options, which supports the Municipality's justification of a CIP that has incentive programs focused on "missing middle housing".

The County OP sets a minimum affordable housing target of 20% of all new development (Policy 4.B.1.1, pg. 45) and a residential intensification target of 30% (Policy 4.A.5.1, pg. 37). The County OP directs the majority of growth to fully serviced settlement areas (Section 4.A.2, pg. 33) like the Primary Settlement Areas of Belle River, Maidstone, and Wallace Woods.

To support the development of a varied housing supply, the County's OP includes the following policies:

- **Housing Mix:** The County has a forecasted housing mix of 48% low density, 27% medium density, and 25% high density residential units (Policy 4.A.1.7, pg. 29). Local municipalities are required to establish targets in their official plans to achieve this mix (Policy 4.B.1.2, pg. 45).
- **Variety of Housing Options:** The County OP mandates the provision of a mix of housing options to suit all ages, household sizes, and abilities. This includes affordable housing, emergency and transitional housing, co-housing, group and senior housing, special needs housing, and purpose-built rental housing (Policy 4.B.2.1, pg. 46).
- **"Missing Middle" Housing:** The County OP explicitly supports "missing middle" housing, which it defines as "residential buildings that contain a higher density than a single detached house but lower density than a midrise apartment building" to deliver a range of affordable housing options (Glossary, pg. 196). Local municipalities are tasked with identifying areas where "missing middle" housing can be accommodated to provide more affordable medium-density options and are encouraged to pre-zone these lands to streamline approvals (Policy 4.A.5.5, pg. 39; Policy 4.B.3.8, pg. 49).
- **Intensification Strategies:** Local municipal OPs plans must include intensification strategies that facilitate a compact built form and all forms of intensification; These strategies are intended to support the provision of affordable rental and ownership housing (Policy 4.A.5.3, pg. 38).

Lakeshore Official Plan & Community Improvement Policies

The Municipality of Lakeshore Official Plan (OP) aligns with the County's direction, establishing a local framework to manage housing growth. The OP contains policies to encourage a variety of housing types, including setting an annual affordable housing goal of 20% (Section 4.3.1.3 a), pg. 62) and a residential intensification target of 15% (Section 4.3.1.2 b), pg. 60). Critically, the OP recognizes that development is contingent on the availability of municipal services, a key constraint in Lakeshore (Section 7.3, pg. 198).

The OP also provides a strong and flexible policy basis for undertaking community improvement initiatives. Section 4.2.2 of the OP grants the Municipality broad authority to designate Community Improvement Project

Areas and prepare CIPs to address a wide range of issues, including the stimulation of housing and economic revitalization. Specifically, the OP enables CIPs to "encourage the construction of a range of housing types and the construction of affordable housing" and "promote the ongoing viability and revitalization of the downtowns and main streets" (Section 4.2.2 c), pgs. 48-49). These policies provide a clear mandate for a CIP focused on both housing and the economic health of the Municipality's various communities, including its rural hamlets.

Existing Community Improvement Plan: Belle River BIA

As described in further detail in Section 2.1.1 above, the Municipality's only active CIP is the Belle River BIA CIP, whose programs are primarily focused on revitalizing and beautifying the commercial core of Belle River. While it has been successful in this regard, the CIP's focus is not on housing creation. Anecdotal information provided by Municipal staff during the project kickoff confirmed that:

- the existing CIP is viewed as limited in scope; and,
- Council's new strategic direction, supported by the provincial RED program grant, is to expand revitalization efforts beyond Belle River to the Municipality's other communities and hamlets.

The Housing Action Plan, the HAF, and the Role of the Housing-Focused CIP

The Municipality of Lakeshore has been proactive in addressing housing needs, beginning with the creation of its first Affordable Housing Strategy in 2016. This foundational work was reinforced by the Lakeshore Housing Action Plan (draft, 2023), which identified specific initiatives to accelerate housing supply and improve affordability (pg. 3). Key initiatives in the draft Action Plan included streamlining approvals for Additional Residential Units (ARUs; Initiative #1, pg. 42), promoting infill development in strategic locations (Initiative #2, pg. 43), and using CIPs to incentivize higher-density development in strategic corridors (Initiative #3, pg. 44).

A key driver for implementing these actions is the Municipality's successful application to CMHC's HAF. Lakeshore was successful in receiving \$7.4 million in HAF funding, which the Municipality will use to implement a series of initiatives aimed at accelerating the supply of housing. The overall Lakeshore HAF program housing supply target is 898 projected net new housing units, which must be achieved within the four years, or by the first quarter of 2029. In 2026, 2027, 2028, Lakeshore must report the following net new housing units in that year's annual report:

- Year 1 (2026): 160 net new housing units;
- Year 2 (2027): 265 net new housing units; and
- Year 3 (2028): 473 net new housing units.

Lakeshore has also committed the following additional targets, which must only be met by program end in the first quarter of 2028:

Type	Net New Housing Units
Single Detached	360
Missing Middle	520
Other Multi-Unit	18
Affordable Units	46 (5.1% of total housing supply growth target)

In addition to the housing targets noted above, the Municipality of Lakeshore has also committed to the following nine initiatives:

1. Community Design Charettes;
2. As-of-right zoning along primary corridors and in urban cores;
3. Housing Supportive CIPs;
4. Affordable Housing Strategy – Update and Implement;
5. Municipal Land Inventory;
6. Pattern Book - Standard Design and Guidance Materials for Missing Middle and Additional Residential Units (ARUs);
7. Housing Acceleration Project Team;
8. Gentle Density through OP and Zoning By-law Updates to implement 4 Units as of right in all residential zones; and
9. Housing Needs Assessment.

The new, housing-supportive CIP is one of the core initiatives funded by the HAF. The Lakeshore Housing Action Plan and subsequent Housing Needs Assessment (HNA) identify that the CIP will be used as a primary tool to deliver financial incentives to spur development. These incentives are expected to include grants for DCs, taxes, and permitting fees to support the creation of high-density, affordable, accessible, and supportive housing options. The short timelines associated with the HAF program necessitate a CIP with simple, administratively efficient, and easy-to-access programs that can stimulate rapid permit applications and housing starts.

Zoning By-law Implementation

Lakeshore's Zoning By-law 2-2012 is the primary tool for implementing the OP's housing policies. The by-law designates specific zones for different types

of residential development, from Low-Density (R1) to High-Density (R3), as well as Mixed-Use (MU) and Central Area (CA) zones that permit residential uses. The predominance of single-detached zones (R1, RW1, RW2) reflects the Municipality's historical development pattern.

The Zoning By-law provides opportunities for "missing middle"² and higher-density housing forms, primarily within the Residential – Medium Density (R2), Residential – High Density (R3), and Mixed-Use (MU) zones. Specifically, the following forms of "missing middle housing" are permitted:

- Secondary dwelling units (i.e., "a second dwelling unit constructed within an existing single detached dwelling, located within the main dwelling and designed such that the outward appearance as a single detached dwelling is maintained, except for any alterations which are required by the Ontario Building Code), are permitted in the CA and MU zones;
- Accessory dwelling units in combination with a non-residential use are permitted in the MU zone;
- Duplex and triplex dwellings are permitted in the R2 zone; and,
- Townhouse dwellings are permitted in the R2 and MU zones.

Further, in response to provincial legislative changes under Bill 23, the Municipality had updated its bylaws to significantly expand permissions for Additional Residential Units (ARUs) (i.e., an "independent dwelling unit within a single detached, semi-detached or townhouse dwelling, or within a building accessory to a single detached, semi-detached or townhouse dwelling on the same lot, which is ancillary and subordinate to a primary dwelling unit."³). As a result of these changes, ARUs are now permitted on lots containing a single detached, semi-detached, or townhouse dwelling in the Residential (R1, R2, RW1, RW2), Hamlet Residential (HR), CA, MU, Urban Reserve (UR), and Agriculture (A) zones.

² The HNA (2025) defines Missing Middle Housing as, "Housing that fits the gap between low-rise, primarily single-family homes and mid-rise apartment buildings, typically including secondary and garden suites, duplexes, triplexes, fourplexes, rowhouses and townhouses, courtyard housing, and low-rise apartment buildings of 4 storeys or less. These housing types provide a variety of housing options that add housing stock and meet the growing demand for walkability. The missing middle also refers to the lack of available and affordable housing for middle-income households to rent or own."

³ Additional Residential Units (ARUs). Municipality of Lakeshore. Retrieved from: <https://www.lakeshore.ca/en/business-and-development/additional-residential-units-arus.aspx>

Higher-density housing, such as apartment dwellings, is permitted in the R3 and MU zones. The maximum building height in these zones is 10.5 metres, which accommodates low-rise apartment buildings of three to four storeys.

Recent Provincial Direction on Four Units As-of-Right

A significant recent development is the Province's move to permit up to three residential units "as-of-right" on serviced urban residential lots. In response to the federal HAF requirements, Lakeshore Council has committed to amending its zoning to permit four units as-of-right. This new direction signals a major shift toward enabling gentle density across the Municipality's settlement areas, however its implementation is fundamentally limited by the availability of municipal infrastructure. As confirmed in the Housing Action Plan and by Municipal staff, significant servicing constraints exist outside of the core serviced areas, which limits the immediate potential for widespread intensification.

Infrastructure, Servicing, and the Development Pipeline

A critical baseline condition that governs all housing development is the availability of municipal infrastructure, and the servicing deficit is the single-largest barrier to realizing new housing supply. As detailed in the Official Plan (OP), the Housing Action Plan, and the 2025 Housing Needs Assessment (HNA), Lakeshore faces significant servicing constraints, with wastewater treatment plants (e.g., Denis St. Pierre Water Pollution Control Plant) and conveyance systems at or near capacity.

Many of the Municipality's secondary settlement areas and hamlets lack full municipal services, which greatly limits their ability to accommodate growth, despite provincial permissions for additional units. According to the OP, full municipal water and sanitary sewer services are available in the Primary Settlement Areas of Belle River, Maidstone, and Wallace Woods, and the secondary settlement areas of Stoney Point, Haycroft, and Lighthouse Cove. The remaining secondary settlement areas (Elmstead, Emeryville, Amy Croft, Woodslee) and hamlets (Ruscom, Comber, Deerbrook, East Puce, North Woodslee, Pleasant Park, Strangfield) lack full municipal sanitary sewer servicing, with reliance on private or communal systems. The forthcoming Water and Wastewater Master Plan will be a critical document in determining the future location and phasing of housing growth in Lakeshore.

An analysis of the development pipeline provides a snapshot of the demand for new housing in Lakeshore and highlights the number of units that are currently awaiting approval or construction. As of January 2022, there were a

total of approximately⁴ 3,780 potential new residential units in various stages of the development process within the Municipality. Approximately 2,475 (65%) of those units, however, will likely not move through to building permit issuance in the short term:

- Projects proposing a combined total of approximately 1,400 units are paused due to sanitary constraints;
- Projects proposing a combined total of approximately 25 units had gone through pre-consultation but did not proceed past that stage of the development process;
- Projects proposing a combined total of approximately 335 units ended up changing their proposals to commercial developments; and
- Projects proposing a combined total of approximately 435 units have an unknown status or no update to its status in the development approvals process.

This means that projects proposing a combined total of approximately 1,310 units are ongoing and considered as part of the Municipality's residential development pipeline. The breakdown of these 1,310 units in the pipeline, by dwelling type, is as follows:

- **Single-detached and semi-detached dwellings:** approximately 445 units;
- **Townhouses and stacked townhouses:** approximately 245 units;
- **Apartments, condominiums⁵, and mixed-use developments:** approximately 350 units; and,
- **Dwelling type not disclosed:** 270 units.

A significant portion of the proposed units are for medium- and high-density housing, with approximately 595 of the 1,310 units (45%) being townhouses, stacked townhouses, and apartments in the pipeline. This indicates a strong developer interest in building multi-unit residential projects, which aligns with the Municipality's goal of increasing housing diversity. The progression of these projects, however, is heavily dependent on the availability of municipal servicing and favorable market conditions. The "pool" of potential units—those that are either stalled due to servicing constraints or simply have not

⁴ There are some projects in the list of developments where it is unclear as to how many residential units were being proposed. The number of proposed residential units may be larger than the 3,500 units noted.

⁵ Condominiums are assumed to be a high-density apartment-style built form.

yet begun construction—could be incentivized by the HAF initiatives and through the CIP.

Market Conditions: High Construction Costs

A significant impediment to the development of new housing in Lakeshore is the high cost of construction, a factor noted as a key market-based threat to development. As documented in the HNA, these costs represent a primary barrier to improving housing affordability. This challenge is acutely demonstrated by the high price of land, with the HNA noting that vacant serviced land within Lakeshore averaged \$1.76 million per acre in 2024.

This issue is not new but, rather, the continuation of a long-term provincial trend. While specific construction price data for the London CMA is only available from 2023, historical data from the Toronto CMA illustrates the decades-long escalation of costs. For example, data from Statistics Canada's Building Construction Price Index (BCPI)⁶ Table 18-10-0135-02⁷ show the index for Toronto residential buildings increased by 25.9% in a single year, between the third quarter of 2021 and the third quarter of 2022 alone.

This broader inflationary environment, which the HNA confirms has "affected the cost of borrowing and new construction" (pg. 61), is now evident in our region; the Building Construction Price Index shows a significant upward trend for the London Census Metropolitan Area (CMA). Key findings from Table 18-10-0289-02⁸ of the BCPI include:

- **Year-over-Year Increase:** In the first quarter of 2025, the residential building construction price index for the London CMA increased by 5.5% compared to the same period in 2024.
- **Accelerated Quarterly Growth:** London experienced the largest quarterly increase in residential construction costs among all 15 CMAs measured in the first quarter of 2025, rising by 2.5%.

⁶ According to Statistics Canada, the Building Construction Price Index measures the change in prices contractors charge for new residential buildings.

⁷ Source: Statistics Canada. Archived – Building construction price indexes, percent change, quarterly, inactive. Table 18-10-0135-02. Retrieved from:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810013502>

⁸ Source: Statistics Canada. Building construction price indexes, percent change, quarterly. Table 18-10-0289-02. Retrieved from:

<https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1810028902>

These escalating costs, driven by factors such as skilled labour shortages and material prices, directly affects project viability. The HNA highlights the challenge and impacts of escalating costs on the local housing market, with data showing that:

- vacant serviced land within Lakeshore averaged \$1.76 million per acre in 2024; and
- the average sale price for a single or semi-detached home in the Windsor CMA rose by 171% between 2012 and 2022, from \$324,314 to \$878,862.

This reality is reflected in feedback gathered through the HNA's community outreach, where residents expressed frustration with a housing market focused on large, expensive homes rather than affordability. The survey found that many residents feel "priced out of the community," and it cited a lack of reasonably priced options for seniors looking to downsize and young people trying to enter the market. These high costs make it financially unfeasible for many developers to proceed with the "missing middle" and purpose-built rental housing that the community needs most.

The financial context for new housing is also shaped by Lakeshore's DC By-law 95-2024 and Parkland Dedication By-law 110-2024. The DC rates are structured to encourage density, with per-unit charges for apartments (\$20,137 to \$30,470) being lower than for single and semi-detached homes (\$40,028).

Critically, a significant baseline condition is that both by-laws contain full statutory exemptions for qualifying housing. Under the DC By-law, "affordable residential units" are exempt from the payment of DCs. Similarly, the Parkland Dedication By-law exempts "affordable residential units" from requiring the conveyance of land for parks or cash-in-lieu thereof. These existing exemptions provide a powerful, legislated incentive for the creation of affordable housing in Lakeshore.

Analysing the Definition of “Affordability”

A clear and consistent definition of “affordable housing” is foundational to a CIP, as it determines eligibility for financial incentives and sets clear targets for development. A review of Lakeshore's key planning documents and relevant provincial legislation reveals related, but distinct, definitions of affordability.

A high-level summary of each of these definitions is below:

Provincial Planning Statement (2024)

As Provincial Planning Statement (PPS) provides a comprehensive definition for “affordable”. A unit is considered affordable, if it is the least expensive of an income-based test or a market-based test. The PPS defines low- and moderate-income households as those with incomes in the lowest 60% of the income distribution for the Municipality. As defined in the PPS (pg. 39), affordable means [emphasis added]:

a) in the case of ownership housing, the least expensive of: <ol style="list-style-type: none">1. housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the municipality;	b) in the case of rental housing, the least expensive of: <ol style="list-style-type: none">1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or2. a unit for which the rent is at or below the average market rent of a unit in the municipality;
---	--

Development Charges Act (DC Act) Bulletin (1997)

The provincial bulletin, which governs exemptions from DCs, also uses a dual-criteria "lesser of" approach that considers both income-based and market-based thresholds. Its definition is substantively aligned with the PPS, using the 60th income percentile and specific market-based percentages (90% of average purchase price and average market rent).

The Municipality’s definition of affordability is substantively aligned with the PPS, as it uses the 60th income percentile and specific market-based percentages (90% of average purchase price and average market rent).

For the Municipality of Lakeshore, the provincial bulletin⁹ provides the following values for housing affordability (effective as of June 1, 2024, until it is replaced by a new bulletin), which is recommended as the definition of “affordability” for the 2024 year:

Ownership Affordability Thresholds:

For an ownership unit to be considered affordable in Lakeshore and eligible for certain exemptions, its purchase price must be the lesser of two calculations: an income-based price and a market-based price:

- Income-based affordable purchase price:
 - Detached house, semi-detached house, and row/townhouse: \$481,500; and
 - Condominium apartment: \$342,000.
- Market-based affordable purchase price (i.e., the maximum price based on 90% of the average market price):
 - Detached house: \$720,000 (average purchase price of \$800,000);
 - Semi-detached house: \$513,000 (average purchase price of \$570,000);
 - Row/townhouse: \$558,000 (average purchase price of \$620,000); and
 - Condominium apartment: \$342,000 (average purchase price of \$380,000).

Applying the "lesser of" rule, the final affordable purchase price for most housing types (detached houses, semi-detached houses, and row/townhouses) is dictated by the income-based threshold. For condominium apartments, the income- and market based affordable purchases prices, respectively, are noted to be the same. Therefore, **affordable purchase prices for the 2024 bulletin year are:**

- \$481,500 for detached houses, semi-detached houses, and row/townhouses; and
- \$342,000 for condominium apartments.

⁹ Affordable Residential Units for the Purposes of the *Development Charges Act*, 1997 Bulletin (last updated April 5, 2024). Province of Ontario. Retrieved from: <https://data.ontario.ca/dataset/affordable-residential-units-for-the-purposes-of-the-development-charges-act-1997-bulletin>

Rental Affordability Thresholds:

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:

- Rent based on income (i.e., the maximum affordable rent, based on local renter income, that is affordable to low- to moderate-income households in the 60th percentile): \$1,960
- Market-based average monthly rent:
 - Bachelor units: \$856
 - One-bedroom units: \$1,055
 - Two-bedroom units: \$1,253
 - Three-or-more-bedroom units: \$1,341

As the average market rents by unit type are less than the rent (of \$1,960) based on income, **affordable monthly rents are:**

- \$856 for bachelor units;
- \$1,055 for one-bedroom units;
- \$1,253 for two-bedroom units; and,
- \$1,341 for three-or-more-bedroom units.

Lakeshore Official Plan (2021)

Lakeshore's OP definition is highly consistent with the PPS, 2024. It also uses the same two-pronged "least expensive of" approach for both ownership and rental housing, based on the 30% of income rule for low and moderate-income households or a comparison to average market prices/rents in the regional market area. The definition is the same as that of the PPS, however it uses "regional market area" as opposed to "the municipality" or municipal area.

Housing Needs Assessment (2025)

The recently prepared Housing Needs Assessment (HNA) utilizes a more direct and commonly used definition, stating that affordable housing is that which "costs less than 30% of a household's gross income, including rent or mortgage payments and utilities". This approach focuses solely on the income-based "30% rule", which is a common benchmark for housing affordability; it does not look at affordability by income deciles, which means that it does not define low and moderate income households. It is important to note that, as the HNA is a requirement for the Federal Canada Community-Building Fund (i.e., the Gas Tax Fund), it does not consider the same nuances of those of the PPS definition.

While Lakeshore's planning documents are generally aligned with provincial direction, these multiple definitions create a need for clarity. The successful administration of the new CIP will hinge on establishing a single, consistent definition that reconciles these various approaches, particularly the one tied to financial tools like DC exemptions.

2.2 CIP Best Practices and Precedents

The project team undertook a best practices review to identify trends in CIP programs in select municipalities. The five selected municipalities included: the City of Belleville; the Town of Amherstburg; the Town of Carleton Place; the Town of Smiths Falls; and the City of Burlington. While the selected municipalities range in population size, they were selected due to their similarities in community improvement needs and goals.

Provided in the subsections below are high-level summaries of observations made on the various incentive programs offered by other Ontario municipalities (refer to Appendix 1 for detailed matrices that compare the incentive programs across the selected municipalities' applicable CIPs).

2.2.1 Rural/Main Streets

The CIP best practices review indicates two primary approaches to economic revitalization. The most common strategy focuses on main street beautification and building upkeep, as exemplified by the CIPs in Smiths Falls, Carleton Place, and Belleville. These plans utilize traditional tools such as façade improvement grants and rebates, with funding typically covering 50% of costs up to a maximum of \$7,500 to \$17,000 per property. These programs are often supplemented with incentives for signage, landscaping, and critical interior upgrades.

A second, more targeted approach to economic development is demonstrated by Amherstburg's CIP. This model ties significant financial incentives directly to measurable outcomes like job creation and capital investment. While Amherstburg's program has an industrial focus, the underlying principle is highly adaptable. It establishes a framework where the most powerful incentives, like a multi-year tax grant, are reserved for significant commercial enterprises that can act as economic anchors. This could include a new boutique hotel, a restaurant, an agri-tourism destination, or a professional services firm that commits to bringing a target number of new, full-time jobs and substantial private investment into a main street or commercial area. This ensures that public funds are strategically leveraged to generate a clear and significant return in community economic vitality.

2.2.2 Housing

The precedent municipalities use a wide spectrum of incentives to address housing supply and affordability. Provided below is a high-level summary of the range of these incentives:

- Foundational programs, common in plans like those for Smiths Falls and Carleton Place, include rebates or waivers for DCs and building permit fees to reduce the upfront regulatory costs of development.
- A more substantial incentive is the Tax Increment Equivalent Rebate (TIER), offered in Belleville, Smiths Falls, and Carleton Place, which phases in the property tax increase resulting from a new rental development over a 10-year period.
- The most modern and aggressive approach, seen in Burlington's CIP, involves providing high-value forgivable loans as direct capital contributions. Burlington offers up to \$95,000 per affordable Additional Dwelling Units (ADUs) and up to \$225,000 per "missing middle" unit, with the loan being forgiven if affordability is maintained for a set term.
- Across all plans, there is a clear focus on incentivizing Accessory Dwelling Units (ADUs)¹⁰, though the financial support ranges significantly from a \$5,000 rebate in Belleville to Burlington's much larger forgivable loan.
- The practice of stacking incentives is explicitly encouraged in the more progressive plans, with Burlington's policy allowing the combination of municipal, regional, and federal funding sources to maximize a project's viability.

2.3 Site Visit of Lakeshore's Main Streets

Covering over 530 square kilometres, Lakeshore is the largest municipality in Essex County. Though there are large areas where agricultural lands are the majority of the Municipality's land area there are unique communities dotted throughout the landscape. Each of these communities has an important role in defining the Municipality's character, and they are characterized by their:

- proximity to the lake;

¹⁰ Accessory dwelling units are synonymous with additional residential units.

- historic downtowns; or
- amenities and modernity.

We conducted a site visit and brief windshield survey of the key areas for the rural and main street CIP; these areas included the primary urban areas of Belle River, and Maidstone (including Lakeshore West), the secondary urban areas of Stoney Point/Pointe-Aux-Roches, Comber and Lighthouse Cove as well as the hamlets of Woodslee, St. Joachim and Ruscom. This assisted with seeing first-hand the state of buildings, levels of occupancy, mix of shops and services, levels of visitation, streetscape, and gauge the overall “experience” for each of these areas. Travelling between the main streets also provided an opportunity for any anecdotal observations on rural vitality and prosperity.

2.3.1 Belle River

Belle River is the Municipality’s main street and downtown core. There are a mixed of established older structures and newer developments concentrated along County Road 22/Notre Dame Street, which has consistent vehicular and pedestrian traffic. Uses include restaurants, personal services, boutiques, florists, grocery stores, banks and the Municipality’s town hall. Buildings are in generally good condition however some of the older buildings along the main street could use repair and upgrades. Notably, some of buildings along the main street have units above the commercial main floors, though the predominant form is single storey commercial buildings. Vacancy rates appear low along the County Road 22/Notre Dame Street, with only one vacant building that could be observed. There are adolescent trees and large planters on both sides of the road that serve as streetscaping features. Signage along the main street is inconsistent with some buildings having multiple façade signs sometimes in addition to having stand alone signs along the main street. Signage could use improved coordination and a consistent “theme” which would promote a more cohesive experience.



Overall, Belle River presents as a well-rounded downtown with a wide array of commercial uses, good vehicular and pedestrian traffic and low vacancy rates. However, it could use improvements to streetscaping, signage and would benefit from promoting the refurbishment of its older building stock.



2.3.2 Maidstone & Lakeshore West

The Emeryville area of the Maidstone area is characterized by a consistent thread of commercial uses dispersed along County Road 22. There is a mix of uses, including restaurants, gas stations an animal hospital, a post office and automotive service shops. Buildings are in good condition, but most have

large front yard setbacks or place parking lots along the road which limits foot traffic and impacts streetscaping. As in Belle River, vehicular traffic along County Road 22 is consistent and signage is in generally good condition and is geared to attract these drivers. Puce is similar to Emeryville, however, it has fewer commercial uses and is more residential in nature. There is a small grocery store, coffee shop, pizza restaurant and automotive repair shop. Signage is inconsistent and streetscaping is limited.



Lakeshore West is located on the western edge of Lakeshore adjacent to the Town of Tecumseh. It has a range of commercial uses, in newer buildings with a larger footprint than can be found elsewhere in the Municipality. Uses include but are not limited to a grocery store, eat-in and quick-service restaurants, banks, a pharmacy, a hotel, a bookstore, a health services centre, a cinema, and coffee shops. Vehicular traffic and general visitation are high based on our observations, although pedestrian connectivity is limited by the size and prevalence of parking areas. Where streetscaping is present it is largely disconnected and applied inconsistently.

2.3.3 Stoney Point / Point-Aux-Roches

As a Secondary Settlement Area, Stoney Point / Point-Aux-Roches is concentrated along the intersection of Tecumseth Road and Comber Sideroad. There is no defined “main street” as commercial uses are dispersed amongst residential buildings. The community is home to a convenience, school, hardware store, marine supply outlet, a financial service centre and a pizzeria. The buildings in Stoney Point / Point-Aux-Roches would benefit from

repairs and refurbishment. When compared to other communities in Lakeshore, Stoney Point / Point-Aux-Roches feels “quiet”, with limited vehicular and pedestrian traffic.



2.3.4 Comber

Outside of Belle River, Comber has the most defined main street of the Municipality’s communities. There are several businesses that front onto Main Street including a variety store, pharmacy, hardware store, pizzeria, library, convenience store, gift shop and café. These businesses (particularly the café, the Iron Kettle) attracted many patrons who came by car during our site visit. Despite the high traffic there is a vacant building on Main Street and many of the units above the commercial uses looked vacant as well.



These buildings, particularly those with second storey residential units, seemed in need of use repairs or updating. While the Iron Kettle has modern signage and has placed chairs and tables outside, and the hardware store has products for display, there are few other street activation features along Main Street.



2.3.5 Lighthouse Cove

Lighthouse Cove is the smallest of the secondary settlement areas and is centered around a large marina. Though it is a hub for boating it has no defined main commercial street. The community largely consists of residential uses with a convenience store/food market and restaurant, which are in good physical condition, serving as the only commercial uses.



2.3.6 North/South Woodslee

North and South Woodslee is a hamlet characterized by limited commercial but a variety of institutional uses. There are three large churches throughout the hamlet as well as a co-located library and municipal park. There is also a golf course, post office and daycare located along Belle River Road. It is clear that many of the buildings were once used for commercial purposes but are now vacant and in need of revitalization.



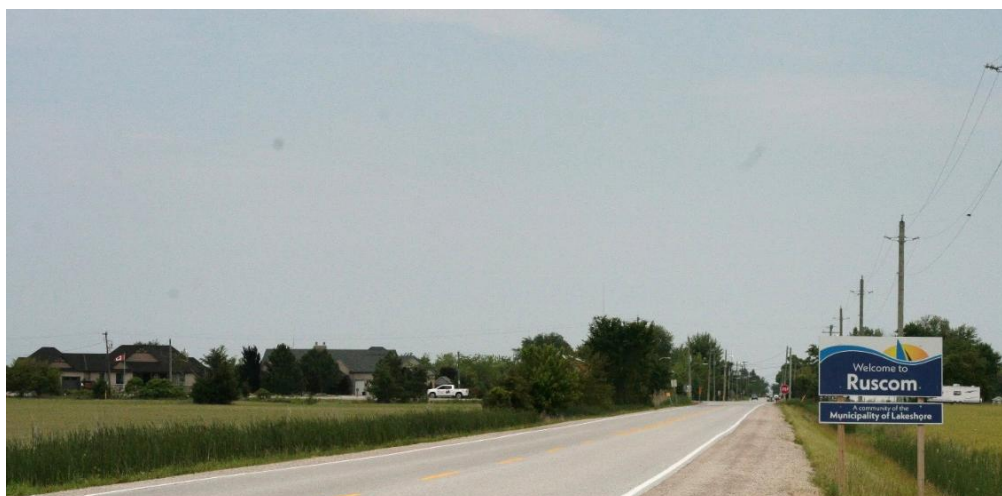
2.3.7 St. Joachim

The hamlet of St. Joachim is home to a mixture of commercial uses, concentrated along County Road 42. There is a convenience store, gas station, truck accessory store, church, retirement home and a school. Signage for these businesses would benefit from being updated, refurbished or replaced. The commercial and residential buildings along County Road 42 in St Joachim are in generally good condition however there is little to no streetscaping or landscaping.



2.3.8 Ruscom

Ruscom is the smallest of the Municipality's hamlets. There are no apparent commercial uses though there may be some home-based businesses.



3 Assessing Lakeshore's CIP Needs for Rural Economic Development and Housing

We undertook a gap analysis that aimed to address the economic- and housing-related opportunities and challenges for the community. The gap analysis considered core need, development typologies, land use, ability to focus investments, extent of positive impact, commercial vitality, business retention/expansion, synergies, likelihood of success, and target audiences for the financial incentive programs.

Provided in the list below is the SWOT (strengths, weaknesses, opportunities, and threats) analysis.

SWOT Analysis for the Lakeshore CIP

Strengths

1. **Enabling Official Plan Policies:** The OP (Sec. 4.2.2) provides a robust and forward-looking policy basis for a comprehensive CIP that supports both housing and economic development goals without needing major changes.
2. **Clear Strategic Direction:** Council has a stated goal of fostering growth in all primary and secondary settlement areas (including hamlet areas) and wants a wider-ranging approach to revitalization. This strategic direction provides a clear mandate for geographically targeted incentives.
3. **Existing Statutory Tools:** The Municipality can leverage provincially legislated exemptions for DCs and Parkland Dedication for affordable housing, which offers a powerful, low-cost incentive foundation that can be enhanced with new programs.
4. **Foundational Main Streets:** Communities like Belle River, Comber, and Woodslee have existing main street cores that can serve as focal points for revitalization efforts.

Weaknesses

1. **Narrow Scope and Geographic Limits of the Current CIP:** The existing CIP is limited to façade improvements in the Belle River BIA, which creates a policy-to-implementation gap and leaves other communities and housing needs unaddressed.
2. **Fragmented and Under-Promoted Incentives:** Current CIP programs work in isolation and do not reward projects that achieve multiple goals. This is made worse by a lack of awareness about available incentives among businesses and developers.
3. **Housing and Market Mismatch:** The existing housing supply is mostly made up of single-detached homes, which does not match the identified need for smaller, more affordable rental options, particularly for one- and two-person households.
4. **Servicing Deficits in Growth Areas:** The lack of full municipal services in many hamlets acts as a significant barrier to development. This barrier negates provincial as-of-right permissions for gentle density and causes delays for projects in the development pipeline.
5. **Underutilized Building Stock:** Many communities have vacant or underutilized buildings on their main streets and in commercial areas that could support growth but currently detract from economic vitality.
6. **Inconsistent Definitions:** The use of multiple definitions for "affordable housing" across different key documents can create confusion for both applicants and administrators.
7. **Administrative Capacity:** As a smaller municipality, there may be limited capacity to administer complex, long-term incentive programs (e.g., forgivable loans requiring 10 to 25 years of monitoring). This situation makes it necessary to focus on efficient, high-impact alternatives like upfront grants.

Opportunities

1. **Modernize and Broaden the CIP Toolkit's Rural Economic Development Incentives:** The CIP can be expanded to all of Lakeshore's main streets and offer a holistic suite of incentives, such

as grants for signage, landscaping, accessibility upgrades, and structural renovations.

2. **Foster Revitalization:** The inclusion of an incentive program that reduces barriers to redevelopment and revitalization by increasing the amount of grants and/or rebates offered for new development within Primary and Secondary Settlement Areas beyond what is currently provided by the Municipality. This could be combined with the implementation of incentives that specifically promote investment in vacant and/or underutilized such as support for conversions or general revitalization or tax relief.
3. **Encourage Business Expansion and Retention:** The CIP could include a suite of incentives that targets existing, particularly independent businesses, and encourages them to expand and/or offer new commercial activities. Beyond the current building and planning fee matching grant this incentive could introduce additional financial support, such as matching the cost of construction and/or offering reimbursement for the cost of professional fees.
4. **Improve the Streetscape and Pedestrian Realm:** The development of a CIP program that provides a rebate or grant for projects where a business, a group of businesses or businesses in partnership with the Municipality are provided with funding to enhance the streetscape surrounding their property. These improvements may include but are not limited to:
 - Intersection improvements and the creation of pedestrian crosswalks;
 - The implementation of traffic calming measures;
 - The installation of pedestrian scale lighting and signage;
 - The provision of on-street parking and wider sidewalks; and
 - The improvement of street furnishings, tree planting and planting beds.
5. **Implement a Multi-faceted Housing Incentive Framework:** To CIP help to bridge the financial viability gap for needed housing forms—such as “missing middle”, purpose-built rentals, and affordable units—by providing direct, impactful financial incentives.

6. **Create a "Stacked" Incentive Framework:** The CIP could be designed to formally permit municipal grants to be combined with funding from the County, Province, and Federal governments (e.g., CMHC), which would maximize a project's financial viability and attract development.
7. **Unlock Development Potential through Targeted Support:** The new CIP can be designed to specifically target stalled projects by offering incentives that improve their financial viability and unlock the potential for gentle intensification in areas currently stalled by servicing constraints.
8. **External Funding Availability:** Access to significant external funding through the federal HAF and provincial RED program allows for the creation of more substantial and impactful incentive programs than could be funded through the municipal tax base alone.
9. **Enhance and Promote Existing Statutory Tools:** A formal program can be established to promote existing provincial exemptions for DC and Parkland fees, to enhance their use and impact.
10. **Target Incentives to Strategic Growth Areas:** The most powerful incentives can be specifically targeted to projects located within designated intensification areas like the Belle River core and the County Road 22 corridor. This aligns the CIP's financial power directly with the Municipality's strategic land use vision.
11. **Support an Aging Population and Accessibility Needs:** The CIP can encourage the development of purpose-built seniors housing and units that incorporate universal design and full barrier-free accessibility to meet a clear demographic need.
12. **Improve Clarity, Uptake, and Certainty for Applicants:** The CIP can formally adopt the specific, dual-criteria definition of "affordable" from the DC Act bulletin to streamline administration and provide a single, clear standard of eligibility for the development community. The adoption/uptake of all CIP incentives can also be increased by creating clear, accessible guidelines and pamphlets, as well as promoting it via the BIA and other local community groups.

Threats

1. **Unfavourable Market Conditions:** High construction costs, skilled labour shortages, and elevated interest rates increase project costs and financial risk, which could reduce developer interest even with incentives offered.
2. **Competition from Other Municipalities:** Neighbouring and peer municipalities are also rolling out aggressive CIPs, which creates a competitive environment for attracting private investment and development.
3. **Short HAF Timelines:** The need to generate rapid housing starts to meet HAF funding requirements and deadlines puts pressure on the Municipality to design and implement simple, easy-to-access programs that can be approved quickly.
4. **Developer Risk Aversion:** Developers may be hesitant to start projects in smaller hamlets or test new housing forms without sufficient financial certainty, which underscores the need for impactful and straightforward incentives.

4 Recommended Incentive Programs and Eligibility Parameters

Based on the analysis of Lakeshore's needs and the review of best practices, the new CIP should be structured around a flexible and integrated framework of financial incentives. The recommended incentive programs for the Lakeshore CIP are informed by approaches adopted in other municipalities and recent policy research, including reports from organizations like the Greenbelt Foundation¹¹ on supporting rural communities. The recommended programs for housing, specifically, are designed to be responsive to the urgent need to stimulate housing growth under the HAF.

For each of the two focus areas for the Lakeshore CIP, the proposed incentive programs and eligibility parameters are outlined below.

4.1 Rural Economic Development

The proposed rural economic development incentive programs and their eligibility criteria are as follows:

4.1.1 Recommended Incentive Programs

Construction Cost Matching Grant

Goal and Intended Outcome: To significantly support business owners in undertaking substantial construction or renovation projects. Matching a portion of these costs encourages significant private investment, modernizes commercial buildings and enhances overall vibrancy of the Municipality's main streets.

Target Audience: Commercial property owners and tenants (with written consent of the property owner) within the project area who would like to invest in new construction, major renovations or significant expansions of existing commercial properties. Adaptive reuse conversions, converting non-commercial buildings into commercial or mixed-use spaces, are also eligible for funding under this program stream.

Funding Type and Impact: This program will provide a matching grant covering a percentage of construction costs up to a predetermined

¹¹ "Housing Needs and Actions for the Agricultural Sector in Rural Greenbelt Communities". Greenbelt Foundation and Caldwell Consulting, 2025. Retrieved from https://www.greenbelt.ca/rural_housing

maximum amount. Construction and major renovation projects often involve considerable capital investment, which can be a significant barrier for property owners and businesses, particularly in rural communities with smaller markets or perceived higher risk. A matching grant reduces this financial burden by directly offsetting a portion of the eligible costs. This shared investment reduces the risk of the project for the private sector, making ambitious new builds, expansions, or comprehensive renovations more financially viable and attractive. It encourages owners to proceed with projects sooner, leading to a faster pace of revitalization and economic activity. The grant also incentivizes upgrades, addressing issues like outdated infrastructure, aesthetic deterioration, and lack of accessibility.

Signage Improvement Grant

Goal and Intended Outcome: To enhance the visual appeal, cohesion and commercial vitality of Lakeshore's main streets.

Target Audience: Commercial or institutional property owners and tenants (with written consent of the property owner) within the project area who will invest in upgrades that result in the improvement, rehabilitation or replacement of their exterior signage

Funding Type and Impact: This program will provide a matching grant covering a percentage of construction costs up to a predetermined maximum amount. While many of Lakeshore's businesses have existing signage, much of it inconsistent amongst businesses, shows signs of wear and tear and need repairs or upgrades. New signage that is well-designed, clear, consistent and well-maintained leads to a better, more professional, first impression for potential customers, drawing their attention and making them easier for people to find. For rural main streets improved signage is critical to standing out and inviting in local customers.

Streetscaping and Pedestrian Realm Improvement Grant

Goal and Intended Outcome: To promote the improvement of the streetscape and pedestrian realm around commercial properties along Lakeshore's main streets.

Improvements may include but are not limited to:

- Landscaping and Green Infrastructure;
- Street Furniture and Patios;
- Pedestrian Amenities;
- Exterior Lighting;
- Wayfinding Signage; and

- Surface Improvements.

Target Audience: Commercial property owners and tenants (with written consent of the property owner) within the project area.

Funding Type and Impact: This program will provide a grant covering a percentage of construction costs up to a predetermined maximum amount. The most immediate impact will be the enhancement of the community's aesthetic appeal and overall vibrancy. This will transform areas that are currently less pedestrian-friendly into inviting, visually appealing places that invite people in and encourage them to linger and explore. A more attractive and pedestrian-friendly environment also translates into increased foot traffic for local businesses. When people feel safe and comfortable walking, they are more likely to browse shops, frequent restaurants, and engage with local services.

Structural Repairs Rebate

Goal and Intended Outcome: To support property owners in making essential and significant structural improvements to their commercial or institutional buildings that enhance the safety, stability and long-term viability of their property. Eligible repairs include repairs to a building's foundation, structural walls, roof, floor or ceiling and upgrades which bring the building into compliance with the Ontario Building Code.

Target Audience: Commercial or institutional property owners and tenants (with written consent of the property owner) within the project area.

Funding Type and Impact: This program will provide a matching rebate covering a percentage of construction costs up to a predetermined maximum amount. The rebate incentivizes property owners to proactively address critical structural deficiencies, ensuring a safe environment, preventing catastrophic failures, and minimizing business disruptions. A commercial property with known or suspected structural issues will also fetch a lower market price, deter potential buyers or tenants, and may be difficult to insure or finance. By offering a rebate, the program reduces the financial burden of these essential repairs, making the property more attractive for investment. The rebate will also improve main street vibrancy and spur local economic development, by incentivizing fundamental repairs buildings become more viable for occupancy, attracting new business or allowing existing ones to expand with confidence.

Septic System Improvement Rebate

Goal and Intended Outcome: To help property owners make essential improvement to their on-site septic systems by providing them with a rebate for undertaking significant repairs, upgrades or replacement of their septic systems to ensure property functioning, environmental compliance and long-term viability, thereby protecting ground and surface water quality in the Municipality's rural areas. Eligible costs and improvements include full system replacement, major repairs, system upgrades and relocation or redesign.

Target Audience: Commercial property owners and tenants (with written consent of the property owner) undertaking minor infilling projects within the project area who are without access to municipal servicing and where municipal servicing will not be available for a substantial amount of time. Per the County of Essex Official Plan, minor infilling and rounding out of development is interpreted to mean the development of not more than three existing lots of record that are contiguous or abut existing development, have frontage and access to an improved public road that is maintained year-round.

Funding Type and Impact: This program will provide a matching rebate covering a percentage of construction costs up to a predetermined maximum amount. By incentivizing upgrades, repairs or replacements of these systems, the rebate directly mitigates environmental hazards by incentivizing the inclusion of enhanced treatment technologies that can process wastewater more efficiently, reducing the release of pollutant and improving effluent quality. Commercial properties often handle higher volumes and different types of waste and system repairs can be a significant and unexpected cost and a financial burden for those considering redevelopment, particularly in the Municipality's hamlets. This program helps offset those costs, making it more feasible for owners to undertake necessary upgrades, repairs, replacements or relocation and redesign. Commercial septic systems in Ontario are subject to stringent regulations under the Ontario Building Code (Part 8 for systems under 10,000 litres/day) and the Ministry of Environment, Conservation and Parks (MECP) for larger or more complex systems. Failure to comply can result in costly fines, operational disruptions, and even legal action. A rebate program incentivizes businesses to proactively meet these standards, reducing their risk of penalties and ensuring uninterrupted operations. This is particularly crucial for businesses like restaurants, bed & breakfasts, agricultural processing facilities, or small manufacturing plants, where wastewater management is integral to their daily function.

Vacant or Underutilized Property Revitalization Rebate

Goal and Intended Outcome: To address the challenge of vacant and underutilized properties along the Municipality's main streets and provide a financial incentive to revitalize these spaces is to spur the redevelopment, occupation and productive commercial use of properties that have been vacant or underutilized for an extended period. This incentive program will cover the cost of interior preparation and demolition, significant interior renovations, building systems upgrades, exterior improvements, environmental assessments and minor remediation and accessibility improvements.

Target Audience: Commercial property owners and tenants (with written consent of the property owner) within the project area.

Funding Type and Impact: This program will provide a matching rebate covering a percentage of construction costs up to a predetermined maximum amount. This program will make it financially viable for new businesses to establish themselves. Even a single business redeveloped under this incentive program can eliminate rural blight and act as a catalyst for economic renewal, aesthetic improvement and enhanced community vibrancy. It also drives economic revitalization by providing tax revenue, jobs and local services to a community.

4.2 Housing

The proposed housing incentive programs and their intended outcomes, target audiences, and funding types are as follows:

4.2.1 Foundational Requirements and Structural Program Elements

A Single Definition of Affordability

To help ensure clarity and administrative efficiency, the CIP will be built on a single, clear definition of "affordable". It is recommended to align with the dual-criteria definition from the DC Act Bulletin to ensure that its CIP programs are directly compatible with provincial legislation and financial tools like DC exemptions.

Targeted Incentives for Strategic Growth Areas

To help ensure the most efficient use of funds and maximize the creation of housing units quickly, the most powerful incentives will be directed to projects within designated intensification areas where servicing is already available, such as the Belle River core and the County Road 22 corridor.

"Stacked" Incentive Framework

The CIP will be structured to explicitly allow municipal incentives to be combined ("stacked") with funding from other levels of government. This policy is a feature of progressive CIPs and would help maximize project viability and attract development partners.

4.2.2 Recommended Incentive Programs

Municipal Lands Program

HAF Implementation Priority: High priority.

Goal and Intended Outcome: To help offset the cost of lands for the development of affordable housing. This program provides one of the most significant financial impacts to a project, and therefore it can support projects with deeper affordability goals, including supportive housing or senior housing.

Funding Type and Impact: The CIP would enable Lakeshore to donate, lease, or sell Municipally-owned lands at below-market rates. Under this program, Lakeshore will issue a Request For Proposal (RFP) or Expression of Interest (EOI) to choose the best and qualified applicants.

Forgivable Loan / Capital Grant for New Priority Housing

HAF Implementation Priority: High priority.

Goal and Intended Outcome: To provide significant upfront capital to bridge the financial viability gap for high-priority housing forms. The program is one of the most critical tools for making otherwise unfeasible projects possible and getting "shovel-ready" projects underway quickly to meet HAF targets.

Target Audience: The program will target developers building multi-unit affordable rental housing (such as "missing middle" multiplexes and low-rise apartments) and property owners creating new detached ARUs.

Funding Type and Impact: A forgivable loan (i.e., an upfront capital grant with a repayment provision and allowance to not repay if certain conditions are met). The funding amount should be impactful enough to represent a substantial contribution toward the capital cost of each new unit, providing the financial certainty needed to trigger a project start. The program should also incorporate a tiered/pro-rated grant system that offers a significantly larger grant for units that achieve deeper affordability to serve very-low-income households.

Fee and Charge Rebate/Waiver Program

HAF Implementation Priority: High priority.

Goal and Intended Outcome: To lower the initial barrier to entry and reduce the regulatory cost burden for new housing projects. The primary goal is to encourage a higher volume of permit applications in the short term to meet HAF timelines. As part of its outreach, the Municipality can consider formally promoting and enhancing the use of existing provincial exemptions for development charges (DCs) and Parkland fees.

Target Audience: This program will target developers who want to build a broad range of desired housing projects, including the creation of high density housing to help increase the mix and range of housing.

Funding Type and Impact: A rebate or waiver for municipal fees. The program's value should be sufficient to significantly or entirely offset the cost of municipal planning/building permit fees and the municipal portion of DCs. It can be combined with a municipal "Top-Up Grant" that provides additional funds for projects that access statutory exemptions and also meet other specific municipal goals.

Tax Increment Equivalent Rebate (TIER) Program

HAF Implementation Priority: Low priority (in initial HAF years) and medium priority (after HAF).

Goal and Intended Outcome: To improve the long-term financial outlook for significant rental housing projects, with the intention of encouraging larger-scale, private-sector investment that contributes to the community's rental housing supply over the long term.

Target Audience: The program will target developers undertaking the construction of new multi-unit residential or mixed-use rental buildings of a significant scale.

Funding Type and Impact: An annual rebate based on the property tax increase resulting from the development. To be impactful, the rebate should cover a large portion of the municipal tax increment over a multi-year period (e.g., a decade), which would meaningfully improve the project's long-term financial model.

Accessibility and Sustainability "Top-Up" Grant Program

HAF Implementation Priority: Medium priority.

Goal and Intended Outcome: To incentivize developers to build more inclusive, accessible, and environmentally friendly housing that exceeds the minimum requirements of the building code. This program directly supports the goal of encouraging purpose-built seniors housing and units with universal design.

Target Audience: This program will target projects that are already proceeding and are eligible for a primary housing incentive. The goal is to encourage these developers to voluntarily incorporate enhanced universal design, barrier-free accessibility, or sustainable energy solutions.

Funding Type and Impact: An additional "top-up" grant. The grant should be large enough to offset a significant portion of the incremental costs associated with installing the enhanced accessibility or sustainability features.

Appendix 1

CIP Best Practices Review Matric

Table 1 – Community Improvement Plans (CIP) Incentive Programs for Housing

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
<p>Tax Increment Equivalent Programs Rebate or Grant (TIER or TIEG)</p> <p>(Rebate* / Grant**)</p> <p>Note: This type of program provides a grant or rebate equivalent to a portion of the increase in municipal property taxes that results from a development or renovation project.</p>	<p>Yes*</p> <p>Program Name: Affordable Rental Housing TIER - 100% Municipal Portion</p> <p>Incentive Details: A rebate equal to 100% of the increase in the municipal portion of property taxes for a period of 10 years.</p> <p>Parameters: Applies to new accessory dwelling units or new mid-rise/high-rise apartment buildings that create affordable rental units.</p> <p>Yes*</p> <p>Program Name: Downtown Residential Above Commercial TIER. - 100% Municipal Portion</p> <p>Incentive Details: A rebate of 100% of the municipal tax increase for 10 years for the residential portion of the building.</p> <p>Parameters: Applies to new residential units created above a commercial ground floor use in the Downtown area.</p> <p>Yes*</p> <p>Program Name: Brownfield TIER - 50% of Municipal Portion.</p>	<p>No</p> <p>Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.</p>	<p>Yes**</p> <p>Program Name: Tax Increment Equivalent Grant (TIEG) Program</p> <p>Incentive Details: An annual grant of up to 100% of the City's portion of the tax increment. The specific time period is determined through an agreement with the City.</p> <p>Parameters: Applies to new rental residential buildings with a minimum of 3 new affordable units (e.g., a multiplex or low-rise apartment building with affordable rental units).</p>	<p>Yes*</p> <p>Program Name: Attainable Housing Tax Increment Equivalent Rebate</p> <p>Incentive Details: Provides a rebate equal to 50% of the increase in the municipal portion of property taxes for a period of 10 years.</p> <p>Parameters: Applies to new multi-unit residential or mixed-use buildings with at least 6 new residential units that are provided as attainable rental units. Can be stacked with the Brownfield TIER up to a maximum of 100% of the municipal portion.</p> <p>Yes*</p> <p>Program Name: Brownfield TIER.</p> <p>Incentive Details: An annual rebate equivalent to 50% of the municipal portion of the incremental tax increase, for a maximum of 10 years or until cumulative rebate equals total eligible remediation costs.</p> <p>Parameters: For privately-owned lands that require</p>	<p>Yes*</p> <p>Program Name: Affordable Housing Tax Increment Equivalent Rebate</p> <p>Incentive Details: Provides a rebate equal to 50% of the increase in the municipal portion of property taxes for a period of 10 years.</p> <p>Parameters: Applies to new buildings with at least 6 new residential units provided as affordable rental units. Can be stacked with the Brownfield TIER up to a maximum of 100% of the municipal portion.</p> <p>Yes*</p> <p>Program Name: Brownfield TIER.</p> <p>Incentive Details: An annual rebate of up to 50% of the municipal portion of the incremental tax increase for a maximum of 10 years.</p> <p>Parameters: For privately-owned lands requiring remediation. Can be stacked with the housing TIER up to 100%.</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
	<p>Incentive Details: An annual rebate equivalent to up to 50% of the municipal portion of the incremental tax increase for a maximum of 10 years.</p> <p>Affordable housing projects are eligible for 100%.</p> <p>Parameters: For privately-owned lands in the Brownfield Priority Area that require remediation.</p>			remediation. Can be stacked with the housing TIER up to 100%.	
<p>Development Charge Programs (Rebate* / Waiver** / Deferral***)</p> <p>Note: These programs offer relief from development charges (DC), which are fees collected from developers to help pay for the cost of municipal services and infrastructure.</p>	<p>Yes*</p> <p>Program Name: Affordable Rental Housing Development Charge Rebate</p> <p>Incentive Details: A rebate equivalent to 100% of the development charges associated with new affordable rental units. The rebate is prorated if only a portion of the building's units are affordable.</p> <p>Parameters: Applies to new mid-rise or high-rise apartment buildings. DCs must be paid first and are reimbursed upon completion and proof of affordability.</p>	<p>No</p> <p>Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.</p>	<p>Yes**</p> <p>Program Name: Additional Residential Units (ARU) Development Charges Waiver for the Third Unit</p> <p>Incentive Details: Waives the interest on deferred DC payments. The standard deferral is 6 annual installments starting at occupancy. This program makes those installments interest-free.</p> <p>Parameters: Applies to rental residential buildings of 4 or more units, where more than one unit or 10% of units are affordable.</p>	<p>Yes*</p> <p>Program Name: Attainable Housing Development Charge Rebate</p> <p>Incentive Details: A rebate of up to 100% of the municipal portion of DCs for new attainable rental units. The rebate is prorated if only a portion of the building's units are attainable.</p> <p>Parameters: Applies to new multi-unit residential or mixed-use buildings with attainable rental units. DCs must be paid first and are reimbursed upon project completion.</p>	<p>Yes*</p> <p>Program Name: Affordable Housing Development Charge Rebate</p> <p>Incentive Details: A rebate of up to 100% of DCs for new affordable rental units, prorated based on the percentage of affordable units.</p> <p>Parameters: Applies to new apartment buildings with affordable rental units. DCs are paid first and reimbursed later.</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
			<p>Yes***</p> <p>Program Name: Affordable Residential Development Charges Interest-Free Deferral Program</p> <p>Incentive Details: A full waiver of DCs for the third Additional Residential Unit on a property.</p> <p>Parameters: Supports the City's "four units as-of-right" policy. The first two ARUs are already exempt under the provincial Development Charges Act.</p>		
<p>Planning Application and Building Permit Fee Programs (Rebate* / Grant** / Waiver***)</p> <p>Note: These programs provide grants or rebates to offset the costs of municipal application and permit fees.</p>	<p>Yes*</p> <p>Program Name: Affordable Rental Housing Building Permit Fee Rebate</p> <p>Incentive Details: A rebate equivalent to 100% of building permit fees. The rebate is prorated for apartment buildings based on the proportion of affordable units.</p> <p>Parameters: Applies to the creation of a new accessory dwelling unit or a new mid-rise/high-rise apartment building with affordable rental units.</p>	<p>No</p> <p>Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.</p>	<p>Yes***</p> <p>Program Name: Municipal Fee Waiver Program.</p> <p>Incentive Details: A waiver of up to 100% of eligible municipal fees to a maximum of \$40,000 per project.</p> <p>Parameters: Applies to a range of development applications (zoning, site plan, subdivision) and permits where new affordable rental units are created.</p>	<p>Yes*</p> <p>Program Name: Attainable Housing Building Permit Fee and Planning Application Fee Rebate.</p> <p>Incentive Details: A rebate of up to 100% of building permit and planning application fees, prorated based on the proportion of attainable units.</p> <p>Parameters: Applies to the creation of new attainable rental units.</p>	<p>Yes*</p> <p>Program Name: Affordable Housing Building Permit Fee Rebate.</p> <p>Incentive Details: A rebate of up to 100% of building permit fees, prorated based on the proportion of affordable rental units.</p> <p>Parameters: Applies to new affordable rental units or a new legal accessory unit.</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
<p>Additional Residential Unit (ARU) / Additional Dwelling Unit (ADU) / Accessory Unit Programs (Rebate* / Grant** / Loan***)</p> <p>Note: These programs specifically incentivize the creation of smaller, secondary units on residential properties.</p>	<p>Yes*</p> <p>Program Name: Accessory Dwelling Units in New Housing Rebate</p> <p>Incentive Details: A \$5,000 rebate per ADU included in a newly built home.</p> <p>Parameters: The main dwelling unit must be owner-occupied, and the ADU cannot be used for short-term accommodation for 5 years.</p> <p>Yes*</p> <p>Program Name: Accessory Dwelling Units in Existing Housing and Detached Accessory Buildings Rebate</p> <p>Incentive Details: A \$5,000 rebate per ADU created in an existing property or detached building.</p> <p>Parameters: Same owner-occupancy and short-term accommodation restrictions as the program above.</p>	<p>No</p> <p>Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.</p>	<p>Yes***</p> <p>Program Name: ARU Affordable Rental Program</p> <p>Incentive Details: A forgivable loan of 100% of eligible costs up to a maximum of:</p> <ul style="list-style-type: none">• \$70,000 per unit for new or legalized interior/attached ARUs.• \$95,000 per unit for new detached ARUs. <p>Parameters: Requires a minimum 10-year affordability period for the loan to be forgiven.</p>	<p>Yes*</p> <p>Program Name: Attainable Housing ARU Rebate</p> <p>Incentive Details: A three-tiered rebate system:</p> <ul style="list-style-type: none">• Rebate 1: Max \$15,000 for professional studies/drawings.• Rebate 2: Additional max \$5,000 if construction costs exceed \$30,000.• Rebate 3: Additional max \$5,000 (pro-rated) for energy-efficient window upgrades. <p>Parameters: The ARU does not need to be "attainable", as defined in the CIP, but must be a long-term rental and not a short-stay accommodation.</p>	<p>Yes*</p> <p>Program Name: Affordable Housing Accessory Unit Rebate</p> <p>Incentive Details: A two-tiered rebate system:</p> <ul style="list-style-type: none">• Rebate 1: Max \$5,000 for professional studies/drawings.• Rebate 2: Additional max \$2,000 if construction costs exceed \$30,000. <p>Parameters: The unit does not need to be "affordable" but must be a long-term rental.</p>
<p>Targeted New Unit Construction / Conversion Programs (Grant* / Loan**)</p> <p>Note: These programs are distinct from general ARU incentives</p>	<p>No</p>	<p>No</p> <p>Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.</p>	<p>Yes**</p> <p>Program Name: Missing Middle Affordable Rental Unit Program</p> <p>Incentive Details: A forgivable loan of 100% of eligible costs up to a maximum of \$225,000 per eligible unit.</p>	<p>No</p>	<p>No</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
and focus on specific housing forms like "missing middle" or multi-unit conversions.			<p>Parameters: For buildings 4-storeys or less. Requires a 10-year affordability period for loan forgiveness.</p> <p>Yes**</p> <p>Program Name: Mid/High-Rise Affordable Rental Unit Program</p> <p>Incentive Details: A forgivable loan of 100% of eligible costs up to a maximum of \$145,000 per unit, or \$180,000 for a 3 bedroom unit.</p> <p>Parameters: Requires a minimum of 3 new affordable units in the building and a 10-year affordability period.</p>		
Accessibility Programs (Rebate* / Grant** / Loan***)	<p>Yes*</p> <p>Program Name: Accessibility Top-Up Rebate.</p> <p>Incentive Details: A maximum rebate of \$2,500.</p> <p>Parameters: An additional rebate for new accessory dwelling units or affordable rental units that are designed to be barrier-free and have at least \$2,500 in associated construction costs for those features.</p>	<p>No</p> <p>Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.</p>	<p>Yes**</p> <p>Program Name: Sustainable and Accessible Design Grant Program.</p> <p>Incentive Details: An additional/top-up grant of up to \$50,000 per project.</p> <p>Parameters: For eligible applicants of the New Affordable Rental Unit programs who incorporate voluntary universal, barrier-free, or accessible design features beyond code requirements.</p>	<p>Yes*</p> <p>Program Name: Exterior/Interior Universal Accessibility Improvement Programs</p> <p>Incentive Details: A rebate for up to 50% of the cost of eligible improvements, to a maximum of \$15,000 for each program (exterior and interior)</p> <p>Parameters: Can be co-applications with housing or revitalization programs. Eligible costs include ramps, automatic doors, accessible washrooms, lifts, and elevators.</p>	<p>Yes*</p> <p>Program Name: Exterior/Interior Universal Accessibility Improvement Programs</p> <p>Incentive Details: A rebate for up to 50% of the cost of eligible improvements, to a maximum of \$5,000 for each program.</p> <p>Parameters: Can be co-applications with housing or façade programs. Eligible costs include ramps, automatic doors, accessible washrooms, lifts, and elevators.</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
Feasibility Study Programs (Rebate* / Grant** / Loan***)	No	No Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.	Yes** Program Name: Housing Design and Study Grant Program. Incentive Details: Grant of 50% of costs up to \$15,000. Parameters: To study the feasibility of including affordable units in a new development or retrofitting an existing building.	No	No
Home Energy Programs (Rebate* / Grant** / Loan***)	No	No Note: Amherstburg does not have a CIP that is geared towards incentivizing housing.	Yes** Program Name: Sustainable and Accessible Design Grant Program Incentive Details: An additional / top-up grant of up to \$50,000 per project. Parameters: For applicants of the New Affordable Rental Unit programs who incorporate voluntary sustainable building practices or zero/low carbon energy solutions beyond code requirements.	No	No

Table 2 – CIP Incentive Programs for Rural / Main Streets

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
Tax Increment Programs (Rebate* / Grant** / Loan***)	No	<p>Yes**</p> <p>Program Name: An Industrial Business Property Tax Equivalent Grant Program</p> <p>Incentive Details: A grant equivalent of up to 100% of the municipal tax increase for up to 10 years.</p> <p>Parameters: Requires a minimum of 60 new permanent full-time jobs and a minimum investment of \$1,000,000. Applies to manufacturing/logistics.</p> <p>Yes**</p> <p>Program Name: A Commercial Business Property Tax Equivalent Grant Program.</p> <p>Incentive Details: A grant equivalent of up to 50% of the municipal tax increase for up to 5 years.</p> <p>Parameters: Requires a minimum of 20 new permanent full-time jobs and a minimum investment of \$500,000. Applies to targeted sectors (hospitality, professional services, health care, life sciences, IT).</p>	<p>No</p> <p>Note: The City of Burlington does not have a CIP that is geared towards economic development (exception a brownfield CIP, however that is not being reviewed under this scope of work.</p>	No	No

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
<p>Planning Application Fee, Building Permit Fee, and DC Programs (Rebate* / Grant** / Waiver***)</p> <p>Note: These programs provide grants or rebates to offset the costs of municipal application and permit fees.</p>	No	<p>Yes**</p> <p>Program Name: A Development Charges Grant and a Building Permit/Planning Fee Grant</p> <p>Incentive Details: A grant to offset up to 100% of municipal DCs, and up to 100% of building/planning fees to a maximum of \$20,000.</p> <p>Parameters: Only available to applicants who have already been approved for the Industrial or Commercial TIER programs.</p>	<p>No</p> <p>Note: The City of Burlington does not have a CIP that is geared towards economic development (exception a brownfield CIP, however that is not being reviewed under this scope of work.</p>	No	No
<p>Building Restoration, Renovation, Conversion and Safety Programs (Rebate* / Grant** / Loan***)</p>	<p>Yes*</p> <p>Program Name: Downtown Residential Above Commercial Building Permit Fee Rebate</p> <p>Incentive Details: A 100% rebate of building permit fees for the residential units.</p> <p>Parameters: For new residential units created above a commercial ground floor in the Downtown area.</p>	No	<p>No</p> <p>Note: The City of Burlington does not have a CIP that is geared towards economic development (exception a brownfield CIP, however that is not being reviewed under this scope of work.</p>	<p>Yes*</p> <p>Program Name: Building Restoration, Renovation, and Improvement Program</p> <p>Incentive Details: A rebate of up to 50% of the cost of eligible interior renovations to a maximum of \$45,000. An additional \$5,000 rebate is available for heritage design in designated buildings.</p> <p>Parameters: For non-residential or mixed-use (commercial part only) properties in the Downtown and Waterfront Sub-Area to</p>	No

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
	<p>Yes*</p> <p>Program Name: Downtown Fire Retrofitting Rebate</p> <p>Incentive Details: A rebate for eligible fire retrofitting costs to a maximum of \$1,000.</p> <p>Parameters: Applies to existing buildings in the Downtown area needing upgrades to meet the Ontario Fire Code.</p>			address code deficiencies (fire, electrical, structural).	
Facade and Building Improvement Programs (Rebate* / Grant** / Loan***)	<p>Yes*</p> <p>Program Name: Façade Improvement Design Rebate.</p> <p>Incentive Details: A rebate for professional design fees up to a maximum of \$3,000.</p> <p>Parameters: For commercial/institutional properties in the Downtown Façade Area.</p> <p>Yes*</p> <p>Program Name: Façade Improvement Renovation Rebate</p> <p>Incentive Details: A rebate of up to 50% of the cost of improvements to a maximum of \$12,000.</p>	No	No	<p>Yes*</p> <p>Program Name: Front, Side, and Rear Façade Improvement Rebate</p> <p>Incentive Details: A multi-tiered rebate system:</p> <ul style="list-style-type: none">• Non-heritage buildings (Rebate 1A): up to 50% of costs up to a \$10,000 rebate per property.• Heritage-designated buildings (Rebate 1B): up to 85% of costs up to a \$17,000 rebate per property.• Additional pro-rated rebate available for heritage design elements (up to \$2,500, based on 50% of the cost; Rebate 2). This rebate is only available to	<p>Yes*</p> <p>Program Name: Front Façade Improvement Program.</p> <p>Incentive Details: A rebate of 50% of costs, for a maximum rebate of \$7,500. An additional \$2,500 rebate is available for restoring heritage features.</p> <p>Parameters: For commercial or institutional properties in the Downtown District.</p> <p>Yes*</p> <p>Program Name: Side/Rear Façade Improvement Program.</p> <p>Incentive Details: A rebate of 50% of costs up to a maximum of \$5,000.</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
	<p>Parameters: For commercial/institutional properties in the Downtown Façade Area.</p> <p>Yes*</p> <p>Program Name: Façade Improvement Renovation Rebate - Rear Façade</p> <p>Incentive Details: A rebate of up to 50% of costs for rear façade improvements to a maximum of \$10,000.</p> <p>Parameters: For properties in the Downtown Façade Area with rear frontage on the Moira River or another visible public space.</p>			<p>those who received Rebate 1A or 1B.</p> <ul style="list-style-type: none">• Additional pro-rated rebate available for energy-efficient windows/doors (up to \$5,000, based on 50% of the cost; Rebate 3). This rebate is only available to those who received Rebate 1A or 1B. <p>Parameters: For commercial, institutional, or mixed-use properties in the Downtown and Waterfront Sub-Area.</p>	<p>Parameters: For commercial or institutional properties in the Downtown District where the facade abuts public space.</p>
<p>Signage Improvement Programs (Rebate* / Grant** / Loan***)</p> <p>Note: Some CIPs have a standalone program for signage, while others include signage improvements as an eligible cost within a broader façade improvement program.</p>	<p>Yes*</p> <p>While not a standalone program, signage is an eligible cost under Program 11 (Facade Improvement Renovation Rebate).</p> <p>Incentive Details: The design criteria for the façade program (Appendix C of the CIP) dedicate a section to eligible signage, encouraging external lighting over back-lit signs and specifying preferred materials and colors. The overall</p>	<p>No</p>	<p>No</p> <p>Note: The City of Burlington does not have a CIP that is geared towards economic development (exception a brownfield CIP, however that is not being reviewed under this scope of work.</p>	<p>Yes*</p> <p>While not a standalone program, signage is an eligible cost under Program 13 (Front, Side, and Rear Façade Improvement Rebate).</p> <p>Incentive Details: The program's eligible costs explicitly include "restoring, repairing, or replacing building signage". The overall program provides a multi-tiered rebate of up to \$17,000 depending on</p>	<p>No</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
	<p>program offers a rebate of 50% of costs up to \$12,000.</p> <p>Parameters: The program applies to properties within the Downtown Façade Area.</p>			<p>the project scope and heritage status.</p> <p>Parameters: The program is for commercial, institutional, or mixed-use properties within the Downtown and Waterfront Sub-Area.</p>	
<p>Landscaping and Property Improvement Program (Rebate* / Grant** / Loan***)</p> <p>Note: These programs incentivize the beautification of private property that is visible to the public, including landscaping, parking areas, and patios.</p>	<p>Yes*</p> <p>While not a standalone program, landscaping is an eligible cost under Program 11 (Facade Improvement Renovation Rebate).</p> <p>Incentive Details: Appendix C of the CIP specifies that "Permanent non-movable landscaping will be eligible under this program provided it is a component of an overall façade improvement proposal".</p> <p>Parameters: The landscaping must be part of a larger façade project in the Downtown Façade Area.</p>	<p>No</p>	<p>No</p> <p>Note: The City of Burlington does not have a CIP that is geared towards economic development (exception a brownfield CIP, however that is not being reviewed under this scope of work.</p>	<p>Yes*</p> <p>While not a standalone program, landscaping is an eligible cost under Program 13 (Front, Side, and Rear Façade Improvement Rebate).</p> <p>Incentive Details: The eligible costs include "adding and/or replacing landscaping that is permanent/non-removable".</p> <p>Parameters: The landscaping must be part of a broader façade improvement project on a commercial, institutional, or mixed-use property in the Downtown and Waterfront Sub-Area.</p>	<p>No</p>
<p>Accessibility Programs (Rebate* / Grant** / Loan***)</p>	<p>No</p>	<p>No</p>	<p>No</p> <p>Note: The City of Burlington does not have a CIP that is geared towards economic development (exception a brownfield CIP, however that</p>	<p>Yes*</p> <p>Program Name: Exterior/Interior Universal Accessibility Improvement Programs</p> <p>Incentive Details: A rebate for up to 50% of the cost of</p>	<p>Yes*</p> <p>Program Name: Exterior/Interior Universal Accessibility Improvement Programs</p> <p>Incentive Details: A rebate for up to 50% of the cost of</p>

CIP Incentive Program	City of Belleville: Community Improvement (2019; revised 2025)	Town of Amherstburg: Economic Development CIP (2023)	City of Burlington: Affordable Rental Housing CIP (2025)	Town of Smiths Falls: Community Improvement Plan (2022)	Town of Carleton Place: CIP for Brownfield Redevelopment, Façade and Streetscape Improvements, Accessibility, and Affordable Housing (2022)
			is not being reviewed under this scope of work.	eligible improvements, to a maximum of \$15,000 for each program (exterior and interior) Parameters: Can be co-applications with housing or revitalization programs. Eligible costs include ramps, automatic doors, accessible washrooms, lifts, and elevators.	eligible improvements, to a maximum of \$5,000 for each program. Parameters: Can be co-applications with housing or façade programs. Eligible costs include ramps, automatic doors, accessible washrooms, lifts, and elevators.