

Town of the Blue Mountains COMMUNITY IMPROVEMENT PLAN



January 2021

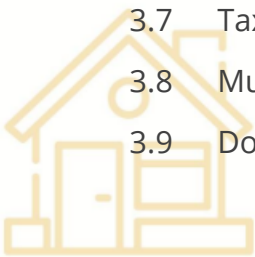
HOUSING WITHIN REACH CIP





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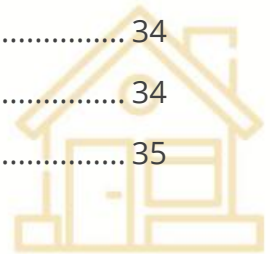
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1 Introduction

1.1 Overview

The Town of The Blue Mountains (the “Town”) has developed a Community Improvement Plan (“CIP” or the “Plan”) to facilitate and encourage the development of attainable housing. This CIP establishes a toolbox of incentive programs that can be offered by the Town to directly stimulate private and non-profit sector investment in attainable housing to meet the needs of the community.

1.2 What is a Community Improvement Plan?

A CIP is a tool where municipal planners and economic developers can work hand in hand to develop policies and provide financial incentives targeting broad community improvement and development considerations. Section 28 of the *Planning Act* enables municipalities to designate a Community Improvement Project Area and adopt a CIP.

A CIP for the Town has been prepared to serve as a long-term strategy to revitalize the community, improve the quality of life of the community’s residents, better utilize under-developed properties and to promote private investment in land and buildings. A CIP is an economic development tool that can support broader economic development objectives. Purpose of the Plan

The purpose of this Plan is to provide the Town with a long-term strategy to encourage and facilitate the development of attainable housing. It is recognized there are many existing and evolving challenges to the development of attainable housing within the Town. For example, increasing home ownership prices and rental rates in the area have contributed to a lack of housing that is attainable to even middle income earners. While there is a strong desire to live in the Town and an economic demand for local employees, there is a shortage of housing options that is within reach for various cohorts of the population.

Therefore, the Town has identified attainable housing as a municipal priority and seeks to provide leadership by offering financial incentives to encourage and facilitate investment in the development of attainable housing through this Plan. In this regard, attainable housing is not to be confused with affordable housing, which is associated with housing that is subsidized through significant one-time funding or on an on-going basis. For this reason, this Plan is an important opportunity for all partners who may contribute to investing in the community benefits of attainable housing.

The core function of this Plan is to enable financial incentive based programs that are tailored to encourage private sector and non-profit investment in attainable housing. Along with facilitating the improvement of the entire Town, this CIP provides a targeted





suite of incentives to promote an increase in attainable housing stock, including additional dwelling units, multi-unit housing, purpose built rental housing, and other forms of housing such as apartment or dormitory style developments.

1.3 Application of this Plan

This Plan applies to the geographic area designated by a by-law of the Town as the Community Improvement Project Area ("CIPA"), in accordance with Section 28 of the *Planning Act*. The programs under this Plan can only be applied within the designated CIPA. The CIPA is established via a by-law of Council and is administered separately from this Plan in order to permit modifications without the need to amend this Plan. Council may choose to modify the Community Improvement Project Area By-law by amending it or passing another by-law to replace it. Users of this Plan should contact the Town to confirm the current CIPA.

1.4 Eligible Applicants

The financial incentive programs established by this Plan are open and extended to a range of eligible applicants, including landowners, tenants (with the owner's consent) and the non-profit sector. The Town recognizes the ongoing contributions from individuals, organizations, agencies, corporations and service clubs in this regard and the Town understands this CIP to be an important

opportunity to further facilitate and encourage continued investment from these partners. All applicants are encouraged to apply and make use of the programs established by this Plan, understanding that the eligibility requirements must be satisfied, and that program availability is subject to funding, as set out in this Plan.

1.5 Relationship to Other Community Improvement Plans

It is recognized that the financial incentive programs administered through this Plan are specifically targeted to the development of attainable housing. Although this a key priority for the Town and its residents, it represents only one aspect of broader economic development and community revitalization goals. To this end, the Town may adopt and activate other CIPs that establish various programs to promote complementary community development goals and considerations, such as the continued revitalization and improvement of the Town as a whole.

It is conceivable that a proposed development project could be eligible for incentives under both this Plan and another CIP administered by the Town. However, that is not the intent of this Plan. Rather, similar eligible costs associated with the financial incentive programs of this Plan shall not be combined with any other financial incentive programs established





through separate CIPs administered by the Town. Part 5 of this Plan contains additional policies in this regard.

1.6 The County of Grey as Partners

The County of Grey (“Grey County”) is the upper-tier municipality and the Town will seek and encourage their participation in the incentive programs established by this Plan to facilitate the development of attainable housing. This includes ongoing collaboration and complementary initiatives being undertaken by Grey County, recognizing that they are an important partner to the Town.

Per Section 28(7.2) of the *Planning Act*, the Council of Grey County may make grants and/or loans to the Council of the Town of The Blue Mountains for the purpose of carrying out the CIP. To this end, the County may provide grants, loans or other forms of assistance as County Council deems appropriate for the purposes of further supporting the financial incentives contained within this Plan, in collaboration with the Town.

1.7 How to Use this Plan

This CIP provides an opportunity for the Town to issue financial incentives to eligible applicants interested in developing attainable housing. It also provides an opportunity for the Town to leverage the Community Improvement Programs of the County. It is anticipated that the financial

incentive programs outlined in this Plan will largely be used by the private and non-profit sectors. Landowners and tenants (with consent) are generally eligible for the programs detailed in Part 3 of this Plan, provided all eligibility requirements are satisfied.

This Plan must be read and interpreted in its totality. Interpretation of the Plan will be at the sole discretion of the Town. Programs will be made available only when Council assigns funds for incentive programs. Available funding for incentive programs may change on an annual basis based on Council’s consideration and to reflect the Town’s evolving community improvement needs.

The long-term development of attainable housing will take many different forms and will require the participation of the Town, the County, the public, developers, and various stakeholders. Eligible costs are listed for each incentive program. Details regarding the value of the financial incentive and how it is calculated are located in Schedule A. The Plan recognizes that improvements achieved through the various CIP initiatives can serve as catalysts for further private investment and are therefore critical to an overall attainable housing strategy.

Interested applicants are encouraged to review this Plan and contact the Town to confirm their eligibility, discuss their project,





and to identify the types of financial incentives that could be applicable. Specifics regarding the application process are contained in Section 5 of this Plan.

1.8 Overview of This Plan

This Plan is comprised of six parts and one appendix. All parts of this Plan are operative, except for Part 1. The parts are described below:

- **Part 1: Introduction** provides an overview of this Plan. This part of the Plan enables the reader to understand how the Plan will be used to encourage and facilitate community improvement within the Town.
- **Part 2: Community Improvement Vision and Objectives** outlines the general purpose and intent of this Plan, as well as a series of goals and objectives to guide its implementation. Part 2 forms an operative part of this Plan.
- **Part 3: Incentive Programs** describes the incentives that can be made available to facilitate and encourage community revitalization and redevelopment within the Community Improvement Project Area. Part 3 forms an operative component of the Plan as it describes the financial incentive tools as authorized under Section 28 of the *Planning Act*.

- **Part 4: Eligibility Requirements** of this Plan identifies both general eligibility requirements applicable to all proposed financial incentive programs, and eligibility requirements that are applicable to specific financial incentive programs. Part 4 forms an operative component of this Plan.
- **Part 5: Administration and Monitoring** establishes policies to ensure the Plan is administered effectively and is regularly monitored for success, and if needed, updated accordingly.
- **Part 6: Glossary of Terms** provides definitions to various terms that are used throughout this Plan. The definitions are provided for interpretation and clarity purposes and form an operative part of this Plan.
- **Schedule A:** Establishes the maximum values of each of the financial incentive programs established by this Plan, provided all eligibility requirements can be satisfied by an applicant. Schedule A forms an operative part of this Plan.





2 Goals, Principles and Complementary Initiatives

2.1 Introduction

This Plan is guided by goals and principles to ensure that community improvement activities are contributing to the development of attainable housing within the Town over the Plan's intended horizon, being 10-years. To contribute to the long term success of this Plan, the financial incentive programs should be administered, monitored and implemented in consideration of the goals, guiding principles and complementary initiatives contained in the following sections.

2.2 Goals

The Town acknowledges several barriers that are challenging access to attainable housing within the community. These challenges can be attributed to a growing housing demand, an increasing need for mixed housing types (which if built, could improve attainability and access), rising land and housing values, and an evolving demographic composition.

In response, the Town has recognized an opportunity to reduce some housing barriers by administering financial incentives to promote the development of attainable housing. Generally, this Plan focuses on reducing the cost of development or redevelopment in appropriate areas as one measure to

improve access to attainable housing. To this end, the primary goal of this Plan is to promote, encourage and facilitate the development of attainable housing within the Town. More specifically, this Plan intends to:

1. Incentivize the development of attainable housing within the Town.
2. Increase the Town's inventory of attainable housing.
3. Encourage a mix of housing types and tenure.
4. Create attainable purpose-built rental and purpose-built ownership units.
5. Encourage the development of certain types of attainable housing in strategic areas of the Town.
6. Promote the renovation, repair or rehabilitation of underused or underutilized residential units for the purpose of attainable housing.
7. Support implementation of the Town's Community Design Guidelines and encourage greater energy efficiency and sustainability through the development of attainable housing.

2.3 Guiding Principles

The following principles are provided to guide the administration of this Plan over its intended horizon:

1. The incentive programs established by this Plan are intended to help mitigate financial barriers related to the





- development of attainable housing within the Town.
2. The value of the financial incentive program established by this Plan must have real financial impact on the ability for eligible applicants to meaningfully invest in attainable housing for the Plan to experience broad success. This necessarily requires the Plan to receive appropriate funding while making wise use of the Town's resources.
 3. The eligibility criteria, administrative policies and application provisions contained within this Plan are intended to complement broader Town revitalization goals and objectives, while also ensuring that there is a clear and streamlined framework for interested or eligible applicants to access these programs. This Plan is also designed to represent the Town's financial interest and financial capacity over the Plan's horizon.
 4. This Plan recognizes that certain municipal fees, which are required for the ongoing financial sustainability of the Town, can sometimes be a barrier to investing in the development of attainable housing. Therefore, this Plan establishes a range of programs that are specifically targets towards offsetting planning application fees, building permit fees, and development charges where attainable housing units are proposed.

5. This Plan aims to reduce financial barriers associated with investment to renovate, repair or rehabilitate existing dwelling units or to convert existing building space for the purpose of new attainable dwelling units.
6. This Plan will also assist landowners with mitigating costs incurred through increased tax assessment that is often realized as a result of significant investment in land or building(s). It is also an objective of this Plan to mitigate costs incurred through increased tax assessment, which will assist landowners in securing project financing for attainable housing development.
7. Lastly, it is a guiding principle of this Plan to provide Council an opportunity to work collaboratively with the County and all partners to identify opportunities where surplus land may be offered at reduced cost for the purpose of developing attainable housing.

2.4 Complementary Initiatives

To further facilitate the goals and principles of this Plan, the following complementary initiatives will be explored by the Town to assist with successful implementation of this Plan:

1. **Marketing and Education:** The Town will explore opportunities to undertake complementary initiatives to actively





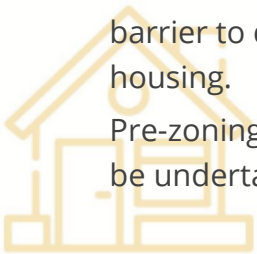
promote and market this Plan, including its goals, principles and the financial incentive programs. This includes education, awareness and promotion of other initiatives that may further advance the community improvement goals of this Plan. The Town will also work with the community to facilitate a better understanding of the critical role that the development of attainable housing under this Plan has in augmenting broader considerations for a building a complete, sustainable and healthy community while supporting other economic development needs and opportunities.

2. **Pre-zoning:** Where appropriate, the Town will consider opportunities to pre-zone certain properties for the exclusive purpose of facilitating investment in attainable housing. Pre-zoning is a process whereby lands are re-zoned through an amendment to the Town's Zoning By-law, as may be applicable. This process would be Town initiated and necessarily subject to the requirements of the *Planning Act*. Pre-zoning can help reduce development risk by reducing time associated with processing development applications, which can sometimes be observed as a barrier to developing attainable housing.

Pre-zoning through this process could be undertaken for various reasons,

including, but not necessarily limited to, relaxed zone standards, additional permitted residential uses, or relief from other specific requirements of the Town's zoning by-law. Pre-zoning appropriate properties within the Town for the development of attainable housing may contribute to the certainty of the development application process and may be a significant incentive to the private or non-profit sector in this regard. This Plan therefore recommends further evaluation of pre-zoning to help address these process- and risk-related barriers.

3. **Community Planning Permit System:** A Community Planning Permit System ("CPPS") is a streamlined and flexible land use planning tool that offers predictability to the development application process. It combines several instruments under the *Planning Act* including zoning, minor variances and site plan approach into a consolidated application process. A CPPS offers flexibility to permit discretionary uses that would be subject to specific identified criteria, and also allows for limited variations from development standards. Under a CPPS, municipalities may impose a range of conditions that are attached to the issuance of a development permit. A CPPS reduces the number of required steps prior to a





building permit being issued and having “shovels in the ground”.

Adopting a CPPS in the Town would first require an amendment to the Town’s Official Plan to enable the creation of a CPPS by-law. Amending the Town’s Official Plan to enable a CPPS benefits from being a public process and is subject to the legislative requirements of the *Planning Act*. A CPPS is understood to be a key change in the Town’s land use planning framework that may significantly benefit the development of attainable housing.





3 Incentive Programs

3.1 Introduction

The financial incentive programs contained in this CIP represent a toolkit of programs specifically designed to facilitate and encourage attainable housing, and over time, help the Town achieve its attainable housing goals and objectives. The Town recognizes that achieving these goals and objectives is a collaborative process and requires cooperation amongst a broad spectrum of potential participants, including the private sector, non-profit sector and other levels of government.

3.2 Authority

The authority for administering this Plan is provided under Section 28(7) of the *Planning Act*. This Plan also conforms to Policy E3.5 of the Town’s Official Plan, which allows the Town to identify a Community Improvement Project Area and adopt a CIP.

3.3 General Program Applicability

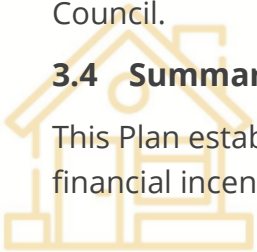
This CIP is intended to promote attainable housing across the Town and reflects that there are opportunities for attainable housing units within the Town’s diverse communities. The specific CIPA is designated separately by a by-law of Council.

3.4 Summary of Incentive Programs

This Plan establishes a total of seven financial incentive programs and one policy

tailored to facilitate the development of attainable housing. Descriptions of each program are contained in the subsequent sections, with a summary provided as follows for convenience purposes:

1. **Attainable Housing Feasibility Grant Program:** This program is intended to assist eligible applicants to determine a project’s feasibility prior to construction.
2. **Development Charges Grant Equivalent Program:** This program is intended to offset the cost of Town and County development charges that are incurred through the development application and approval process.
3. **Tax Increment Equivalent Program:** This program is intended to encourage significant investment in developing attainable housing in the Town by offering a grant or loan to offset increased tax assessment.
4. **Municipal Fees Grant or Loan Equivalent Program:** This program is intended to reduce financial costs associated with planning application fees and building permit fees that may be incurred through the development application and approval process.
5. **Downtown Apartment Rehabilitation or Conversion Program:** This program is intended to facilitate the rehabilitation of an existing residential unit, or the conversion of existing space in a commercial, residential or mixed-





use building space into an attainable housing unit(s) in existing floor space located in the upper-storey or rear portion of a building.

6. **Additional Residential Unit Program:** This program is intended to encourage additional dwelling units (e.g., a second suite basement apartment) that are accessory to a single detached dwelling, semi-detached dwelling, and duplex or townhouse dwelling.
7. **Surplus Land Grant Program:** This program enables the Town and County to identify municipally owned lands that are determined to be surplus and that will subsequently be offered through a Request for Proposal (“RFP”) process for development purposes. These lands may be offered at a significantly reduced rate or at no cost at all.
8. **Landbanking Policy:** This program establishes that it is a policy of this Plan that Council, at its discretion, may acquire land, or sell, lease, prepare and dispose of municipal property at or below fair market value to achieve the goals of the Town’s Official Plan and the objectives of this CIP.





3.5 Attainable Housing Feasibility Grant Program

3.5.1 Purpose

The Attainable Housing Feasibility Grant Program is intended to assist eligible applicants with the cost of determining an attainable housing project's feasibility prior to construction.

3.5.2 Eligible Uses and Properties

All properties within the designated Community Improvement Project Area shall be eligible for this program, providing the application satisfies all eligibility criteria and the proposed development conforms to the Town's Official Plan.

3.5.3 Eligible Costs

The potential grant value shall be calculated based on the value of the following eligible studies:

1. Market analysis;
2. Business development related studies and plans, including development pro-forma;
3. Building condition report, where an existing building is proposed to be repurposed or significantly modified or renovated; and
4. Capital replacement plan, generally described as an inventory of significant building components such as windows, doors, roofs,

siding, or HVAC systems, and is used to calculate long-term expenditures required for future repair and replacement needs.

3.5.4 Grant or Loan Value

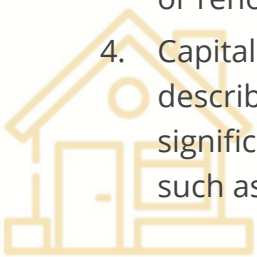
The program is available as a grant. The potential grant value is shown in Schedule A: Financial Incentive Program Value Guideline.

3.5.5 Payment

A grant will be issued following the submission of an electronic/digital copy of the findings prepared by a qualified person.

3.5.6 Eligibility Requirements

1. Section 4.1 – General Eligibility Criteria shall apply to this program.
2. To be eligible for this program, the minimum number of proposed attainable dwelling units within a development shall be two.
3. A copy of the original invoice, indicating that the study consultants have been paid in full, shall be provided in support of payment of the grant. The grant payment will be calculated based on the lesser of the cost estimate provided, and the actual cost of the completion of the study.
4. Town staff will determine how much of the proposed work, if any, is eligible for funding under this





Program. The Town reserves the right to request further cost estimates or other information.





3.6 Development Charges Grant Equivalent Program

3.6.1 Purpose

The Development Charges Grant Equivalent Program is intended to offset the cost of Town and County development charges that are incurred through the development application and approval process. This program is intended to promote significant investment in the development of attainable housing within the Town.

3.6.2 Eligible Uses and Properties

All properties within the designated Community Improvement Project Area shall be eligible for this program, providing the application satisfies all eligibility criteria of this Plan and the proposed development conforms to the Town's Official Plan.

3.6.3 Eligible Costs

Costs associated with the development or redevelopment of a property that results in a minimum of two new attainable housing units shall be eligible for this Program. Further, only costs associated with development charges applicable to new attainable housing units shall be eligible costs.

3.6.4 Grant Value

The program is available as a grant. The potential grant value is shown in

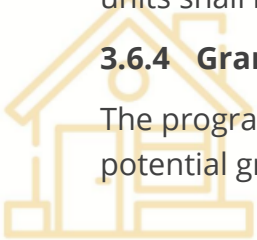
Schedule A: Financial Incentive Program Value Guideline.

3.6.5 Payment

The grant shall be paid upon completion of the works to the satisfaction of the Town. For clarity, an eligible applicant shall initially pay the applicable development charges in full and the grant is paid upon completion of the project.

3.6.6 Eligibility Requirements

1. Section 4.1 – General Eligibility Criteria shall apply to this program.
2. To be eligible for the Development Charges Grant Equivalent Program, the minimum number of attainable dwelling units in a development shall be two.
3. The total value of the grant shall be calculated based on the number of attainable housing units in a development. For clarity, the value of the grant shall be equal to or less than the development charges applicable to eligible new attainable housing units under this program.
4. The total value of the grant shall be less than or equal to the development charge fees established by the Town and County's Development Charges By-law in effect at time of application. For clarity, the development charges





themselves are not eligible costs, but shall be used as a basis to calculate the value of the grant.





3.7 Tax Increment Equivalent Program

3.7.1 Purpose

The purpose of the Tax Increment Equivalent Program is to encourage significant investment in developing attainable housing in the Town. This program provides a grant or loan to rebate a portion of the municipal taxes attributed to the increased assessment over a 10-year period. The difference in municipal tax assessment pre-development and post-development is known as the “increased assessment value” (or “tax increment”) and shall be the portion eligible for a grant or loan under this program.

The program will be administered as both a grant and a loan. Where the program is administered as a grant, the grant will be issued upon completion of the eligible works on an annual basis for a period of 10 years on a depreciating basis. Where the program is administered as a loan, the loan may be issued prior to construction or works, and at the discretion of the Town. Additionally, where this program is administered as a loan, it is designed to assist in securing project financing.

3.7.2 Eligible Uses and Properties

All properties within the designated Community Improvement Project Area

shall be eligible for this program, providing the application satisfies all eligibility criteria and the proposed development conforms to the Town’s Official Plan.

3.7.3 Eligible Costs

The potential grant or loan value shall be initially calculated based on the value of eligible costs to ensure the value of the grant or loan is related to the actual cost of the work being completed. In accordance with Section 28(7) of the *Planning Act*, an incentive program cannot provide grants or loans that exceed eligible costs.

For clarity, increased assessment (taxes) are not “eligible costs” but represent a basis for calculating the grant or loan.

The following shall be deemed to be eligible costs for the purpose of this Program:

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





3. Redevelopment of a non-residential building for a mixed-use or multi-residential building, where the project results in an increase in the assessed value and taxes on the property;
4. Adaptive reuse of a property to suit a new mixed-use or multi-residential building, where the redevelopment or rehabilitation results in an increase in the assessed value and taxes on the property;
5. Major additions to an existing mixed-use or multi-residential building involving an increase of at least two additional dwelling units;
6. Infrastructure work including the improvement or reconstruction of existing on-site public or private infrastructure to support building expansions or the construction of new additional dwelling units;
7. Professional services by an engineer, architect, or planner;
8. Costs related to environmental site assessments and required environmental remediation;
9. Energy efficiency improvements; or
10. Any combination of the above.

3.7.4 Grant or Loan Value

The program is available as either a grant or a loan. The potential grant or loan value is shown in Schedule A:

Financial Incentive Program Value Guideline.

3.7.5 Payment

1. Where the Tax Increment Equivalent Program is administered as a grant, the grant will be issued upon completion of the eligible works on an annual basis for a period of 10 years on a depreciating basis, and in accordance with the requirements of this Plan.
2. Where the Tax Increment Program is administered as a loan, the loan may be issued prior to construction or works, and at the discretion of the Town. Additional requirements regarding a loan under this Program are found below in the eligibility requirements.

3.7.6 Eligibility Requirements

1. Section 4.1 – General Eligibility Criteria shall apply to this program.
2. To be eligible for the Tax Increment Equivalent Program, the minimum number of new attainable housing units in development shall be 25% of the total number of dwelling units in the development.
3. The Tax Increment Equivalent Program is offered to eligible applicants only where it can be demonstrated that a substantial increase in municipal property taxes





will occur due to development or redevelopment.

4. A grant administered under the Tax Increment Equivalent Program shall represent a percentage of increased taxes payable resulting from the improvements. Owing to this, the total value of the work completed and the amount of the municipal portion of the taxes paid prior to, and after renovation would have to be known.
5. An eligible applicant shall ensure that a post-improvement assessment of the property is undertaken. Using the post-improvement assessment, Town staff shall determine the difference between the amount of municipal taxes prior to the development or redevelopment and the amount of municipal taxes to be paid after completion of the associated works. Subsequent increases in assessed value or increases to the mill rate are not eligible to be used to determine the grant or loan value.
6. A grant administered under the Tax Increment Equivalent Program will be issued in accordance with a grant schedule and provided to the registered owner of the property on an annual basis.
7. A grant may be issued on an annual basis over a maximum period of up

to 10 years. The percentage of property tax increment issued as a grant in any one year is at the sole discretion of the Town, but ultimately the amount will be reduced until it reaches 0%. For clarity, in year one, the amount of a grant may equal up to 100% of the tax increment. In subsequent years, the amount shall decrease 10% per year until it reaches 0%.

8. An annual grant shall not be issued until all property taxes owing for each year are fully paid. If a property tax installment is missed or payment is late, the Town reserves the right, without notice and at its own discretion, to terminate all future grant payments.
9. An annual grant shall not be based upon occupancy or changes in occupancy.
10. An annual grant shall not be recalculated based on tax increases resulting from general re-assessments, changes in tax legislation or increases in the mill rate.
11. If the property is sold, in whole or in part, before the grant period lapses, the subsequent owner is not entitled to future grant payments, however exceptions may be made at the Town's discretion subject to the agreement.





12. The Town shall not pay an annual grant which exceeds the municipal portion of the property tax collected in any year on the increased assessed value.
13. A loan made under the Tax Increment Equivalent Grant is intended to be made prior to construction and will be based on an expected increase in municipal taxes.
14. The amount of the loan or grant over the life of the program shall not exceed the value of the work completed as indicated on the building permit application.
15. The Town may at any time discontinue the Tax Increment Equivalent Program; however, any participants in the program prior to its closing will continue to receive the grants as determined for their properties until the conclusion of their approved schedule.
16. Town staff will record the current assessment of the property at time of approval and determine the amount of the municipal taxes payable. The applicant will be provided a copy by correspondence for record.

3.7.7 Tax Increment Equivalent Program Example

For convenience purposes only, the following is a hypothetical development scenario that meets all eligibility criteria of this Plan.

In this scenario, the Program is being administered as a loan and with a municipal tax rate of 2.5%. The value of eligible costs is \$750,000.00.

Pre-Development Assessment

Assessed Property Value:
\$1,000,000.00

Tax Assessment: \$25,000.00

Post-Development Assessment

Assessed Property Value:
\$2,000,000.00

Tax Assessment: \$50,000.00

Tax Increment Program Calculation

Tax Increment Amount: \$25,000.00
per year

Loan Period: 10 Years at 100%

Gross Total of Pre-construction of Loan: \$250,000.00





3.8 Municipal Fees Grant or Loan Equivalent Program

3.8.1 Purpose

The Municipal Fees Grant or Loan Equivalent Program is intended to reduce financial costs associated with planning application and building permit fees that may be incurred by an eligible applicant through the development application process. This program will reimburse a portion of certain planning applications and building permit fees. This Program will be administered as a both a grant and a loan.

3.8.2 Eligible Uses and Properties

All properties within the designated Community Improvement Project Area shall be eligible for this program, provided the application satisfies all eligibility criteria and the proposed development conforms to the Town’s Official Plan.

3.8.3 Eligible Costs

1. Development of a mixed-use or multi-residential building that results in new additional attainable dwelling units;
2. Development of a vacant property that results in new additional attainable dwelling units;
3. Redevelopment of a non-residential building for a mixed-use or multi-

residential building that results in new additional attainable dwelling units;

4. Adaptive reuse of a property to suit a new mixed-use or multi-residential building that results in new additional attainable dwelling units;
5. Major additions to an existing mixed-use or multi-residential building involving an increase of at least two additional attainable dwelling units; and
6. Professional services by an engineer, architect, or planner to a maximum of 15% of all eligible costs.

3.8.4 Grant or Loan Value

The program is available as a grant and a loan. The potential grant or loan value is shown in Schedule A: Financial Incentive Program Value Guideline.

3.8.5 Payment

1. A grant shall only be issued upon completion of eligible works to the satisfaction of the Town.
2. A loan may be issued prior to completion of eligible works, provided any application made under the *Planning Act* has received approval from Council or the Committee of Adjustment (as applicable).
3. An eligible applicant shall be required to initially pay any





applicable planning application or building permit fees as an upfront cost. Subsequent payment of a financial incentive(s) for eligible costs under this program that involve an application made under the *Planning Act* shall only be issued by the Town where said application is approved. For greater clarity, a decision by the Town to issue payment of a grant or loan under this program shall be conditional on the *Planning Act* application being approved.

4. A decision by the Town to approve an eligible application for incentives associated with an application made under the *Planning Act* shall not be interpreted as representing a position or opinion on the *Planning Act* application itself.
5. This program is not intended to imply that the municipal fees are cancelled or that an eligible applicant is otherwise exempt. Rather, an eligible applicant is required to pay the municipal fees as an up front cost and the grant will be issued at a later date and in accordance with this Plan. For clarity, CIP Applications will only receive payment after approval of the associated *Planning Act* applications.

6. Additional requirements for payment are found in the following section and in Part 4 of this Plan.

3.8.6 Eligibility Requirements

1. Section 4.1 – General Eligibility Criteria shall apply to this program.
2. The total value of a grant shall be equal to municipal fees established by a by-law of the Town or County as it relates to applicable planning application fees and building permit fees, including:

- Zoning by-law amendment;
- Site plan approval;
- Draft plan of subdivision;
- Draft plan of condominium;
- Minor variance;
- Consent to sever;
- Pre-consultation; and
- Building permit fees.

An official plan amendment shall not be eligible under this program.

3. For clarity, planning application fees and building permit fees themselves are not eligible costs, but shall be used as a basis to calculate the value of the grant.
4. For the purpose of the professional services of an engineer, architect or planner, the applicant will be required to submit a cost estimate





or quote to the Town, including a breakdown of costs, where applicable. At the Town's discretion, additional cost estimates or quotes may be requested. The payment will be calculated based on the lesser of the cost estimate provided, and the actual cost of the completion of the study.

5. The applicant shall be required to submit a copy of the applicable applications including drawings detailing the proposed project to be constructed. Note that this may require drawings to be prepared by a professional engineer or architect. Where applicable, an eligible applicant may be required to also submit a copy of a building permit.
6. Where the payment of a grant or loan is conditional upon approval of an application made under the *Planning Act*, this condition shall be stated in the Financial Incentive Program Agreement.





3.9 Downtown Apartment Rehabilitation or Conversion Program

3.9.1 Purpose

The Downtown Apartment Rehabilitation or Conversion Program is intended to facilitate the rehabilitation of an existing residential unit, or the conversion of commercial, residential or mixed-use building space into an attainable housing unit(s) in the upper-storey or rear floor space of a building. This Program will also facilitate appropriate residential intensification in the commercial cores, and in doing so, contribute to broader community revitalization objectives by enhancing the viability and vibrancy of these strategic areas within the Town. This Program will be administered as both a grant and a loan.

3.9.2 Eligible Uses and Properties

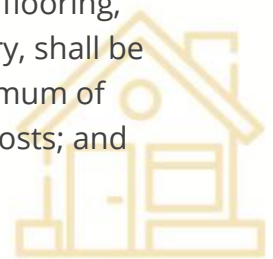
1. Properties within the Downtown Area land use designation of the Town's Official Plan shall be eligible for this program.
2. In addition to the above, only existing floor space that is located above the first storey or in the rear portion of a mixed-use building shall be eligible for this program. For clarity, the rehabilitation of residential dwelling unit or

conversion of existing floor space that is located on the first storey of a mixed-use building and fronts a public street shall not be eligible for this Program. Further, any stand-alone residential uses, including residential apartment buildings, single detached dwellings or other typologies shall not be eligible.

3.9.3 Eligible Costs

The potential value of a grant or loan shall be based on the value of any of the following eligible costs, which may include one or more of the following:

1. Works related to Ontario Building Code or Fire Code compliance, such as structural, electrical, safe egress, ventilation, fire protection including associated insulation, and similar improvements;
2. Accessibility improvements including improvements to the building lobby or vestibule providing access to the residential units; accessible washroom, interior doorway or kitchen facilities;
3. Permanent finishing materials and permanent decorative elements, including painting, drywall, trim, permanent light fixtures, flooring, countertops and cabinetry, shall be an eligible cost to a maximum of 25% of the total eligible costs; and





4. Costs for the services of a professional engineer or architect as may be required in association with the improvements noted above, to a maximum of 15% of the total eligible costs.

3.9.4 Grant or Loan Value

The program is available as either a grant or a loan. The potential grant or loan value is shown in Schedule A: Financial Incentive Program Value Guideline.

3.9.5 Payment

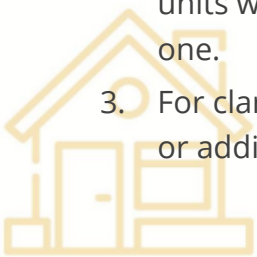
1. A grant shall be paid as a single payment upon completion of works related to the eligible costs, and in accordance with the requirements of this Plan.
2. A loan shall be paid prior to construction, in accordance with the requirements of this Plan.

3.9.6 Eligibility Requirements

1. Section 4.1 – General Eligibility Criteria shall apply to this program.
2. To be eligible for the Downtown Apartment Rehabilitation or Conversion Program, the minimum number of new attainable housing units within a development shall be one.
3. For clarity, works that result in new or additional gross floor area of a

building shall not be eligible costs under this Program.

4. The applicant will include a description of the proposed improvements and an estimate of costs. The estimation of costs must be from a qualified licensed contractor and shall be consistent with the cost estimate indicated on the accompanying building permit application. The Town reserves the right to request a second quotation from a different qualified licensed contractor.





3.10 Additional Dwelling Unit Program

3.10.1 Purpose

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

3.10.2 Eligible Uses and Properties

1. Properties used for a single detached dwelling, semi-detached dwelling, duplex or townhouse dwelling and that are located within the designated Community Improvement Project Area shall be eligible for this program.
2. For clarity, this program does not apply to eligible properties under the Downtown Apartment Rehabilitation or Conversion Program.

3.10.3 Eligible Costs

The potential value of a grant or loan shall be based on the value of any of the following eligible costs as they directly

apply to a proposed additional dwelling unit:

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

3.10.4 Grant or Loan Value

The program is available as either a grant or a loan. The potential grant or loan value is shown in Schedule A: Financial Incentive Program Value Guideline.





3.10.5 Payment

1. A grant shall be paid as a single payment upon completion of works related to the eligible costs, to the satisfaction of the Town.
2. A loan shall be paid prior to construction, in accordance with the requirements of this Plan.

3.10.6 Eligibility Requirements

1. Section 4.1 – General Eligibility Requirements shall apply to this program.
2. To be eligible for this Program, the minimum number of new attainable housing units within a development shall be one.
3. The applicant will include a description of the proposed improvements and an estimate of costs. The estimation of costs must be from a qualified licensed contractor and shall be consistent with the cost estimate indicated on the accompanying building permit application. The Town reserves the right to request a second quotation from a different qualified licensed contractor.





3.11 Surplus Land Grant Program

3.11.1 Purpose

The purpose of the Surplus Land Grant Program is to identify municipally owned lands that are determined to be surplus to the needs of the Town or the County and that will subsequently be offered through a Request for Proposal (“RFP”) process for development purposes. The Town and the County will work together to identify lands that are surplus and to determine the best use for the surplus lands. This program is intended as a significant incentive to offset costs associated with land acquisition for the purpose of developing attainable housing where it is deemed appropriate or desirable by Council.

3.11.2 Eligible Uses and Properties

The Town and the County will work together to determine eligible surplus properties on a case-by-case basis.

3.11.3 Eligible Costs

Eligible costs are not applicable to this program.

3.11.4 Grant or Loan Value

This program is intended to provide an opportunity for the Town and the County to work together to determine the value of a surplus property. As an outcome of the RFP process, surplus

land may be granted at a significantly reduced value or at no cost at all.

3.11.5 Eligibility Requirements

1. Specific eligibility criteria may be identified in the RFP to be released by either the Town or the County.
2. The eligibility criteria will identify the needs to be met by the Town and the County.
3. Proposals submitted will be assessed based on the criteria identified in the RFP with proposals that meet or exceed those criteria given preference.





3.12 Landbanking Policy

3.12.1 Purpose

It is a policy of this Plan that Council, at its discretion, may acquire land, or sell, lease, prepare and dispose of municipal property at or below fair market value to achieve the goals of the Town's Official Plan and the objectives of this Plan. This policy will facilitate and augment the Surplus Land Grant Program specifically, as well as the other financial incentive programs of this Plan more broadly.







4 General Eligibility Requirements

The following general eligibility requirements are applicable to all incentive programs and must be met in order for an applicant to be considered eligible. These eligibility requirements must be read by the applicant in association with program specific eligibility requirements and program details.

4.1 Eligible Applicants

Eligible applicants must be either the owner of the property, an agent for the owner of the property, or the tenant of a property to whom the owner has provided written consent for the application. Should ownership change hands prior to the approval of an application or while works are being undertaken, the tenant shall advise the Town and obtain the new owner's authorization.

4.2 Eligible Works Contributing to this Plan

All community improvement works shall contribute to achieving one or more community improvement goals as indicated in this Plan.

4.3 Combination & Value of Incentives

1. The incentive programs made available under this Plan may be used individually or may be combined, subject to the exceptions outlined within the specific program details and eligibility criteria in this Plan.
2. The value of an incentive shall be calculated on actual costs to complete improvement works that are eligible under this Plan. Where applicable, the payment of an incentive will be calculated based on the lesser of the cost estimate provided, and the actual cost of the completion of eligible works.

4.4 Relationship to Other Community Improvement Plans

It is a policy of this Plan that the financial incentive programs established by this Plan may be combined with any other financial incentive program offered through a separate CIP administered by the Town. However, the same eligible costs between Community Improvement Plans shall not be counted twice for the purpose of calculating the value of a grant or loan, as applicable.

Notwithstanding the above, the Town, at its sole discretion, may deem an applicant non-eligible for certain incentives where the programs





established by this Plan are combined with other CIPs. For example, this may apply where the value of the grant or loan is deemed to be disproportionate to the works being undertaken, where there may be limited funding available, or other similar considerations as determined by the Town.

4.5 Maximum Grant or Loan Value

The total of grants and loans made under this Plan in respect to eligible community improvement works shall not exceed the total of the eligible costs of this Plan. Further, in no case shall the total amounts of all grants and loans be greater than 50% of the calculated eligible costs of the project(s).

4.6 Minimum Grant or Loan Value

For the purpose of this Plan, the minimum value of a grant issued under any program shall be \$1,000.00 and the minimum value of a loan made shall be \$2,500.00.

4.7 Timing of Community Improvement Works

In order to be eligible for any incentive program contained with this Plan, a financial incentive program application form must be submitted to the Town prior to commencing any community improvement works. Further, complete applications must be submitted and approved prior to commencing eligible

community improvement works and shall only be undertaken pursuant to receiving approval of an application made under the *Planning Act* and/or building permit, and any additional required permits, as may be applicable.

If all eligibility criteria and conditions are met and funds are available, the Town may approve the application. Once an application is approved, the applicant shall have a maximum timeframe to both commence construction and complete the approved community improvement works. The precise timeframes may vary depend on the scope of the approved works and therefore the specific details will be confirmed on a case-by-case basis through the agreement process. The Town may grant discretionary extensions when justified, however, undue delay beyond an agreed timeframe may result in the grant or loan allocation being revoked.

4.8 No Outstanding Tax Arrears

The property owner must not have outstanding tax property arrears and must be in good standing regarding taxation at the time of application and through the duration of the incentive benefit period, as identified within this Plan.





4.9 Number of Applications Per Property

There are no specific restrictions on the number of applications that may be submitted by a property owner or tenant in relation to a specific property. The intent of providing this flexibility is to allow applicants to phase in components of their projects over time, should it be necessary. However, the Town may reject an application where it is of the opinion that the proposed works have already been undertaken as part of a previously approved application.

4.10 Complete Financial Incentive Application & Supporting Material

In order to be eligible, all incentive program applications must include completed application forms and supporting materials such as detailed work plans, cost estimates and contracts, applicable reports, and any additional information as required by the Town.

4.11 Projects in Accordance with Municipal By-laws, etc.

Community improvement works associated with an incentive program application must be in accordance with all Town by-laws policies procedures, standards, and guidelines in order to be approved.

4.12 Conformity with Provincial Plans, Official Plan & Zoning By-law

Applications shall conform to any other applicable Provincial land use planning legislation and plans, such as the policies of the Niagara Escarpment Plan, for example. These various Provincial plans and policies may require additional permits from other regulating agencies, such as the Niagara Escarpment Commission.

Existing and proposed land uses must be in conformity with the policies and standards provided by the Town's Official Plan, and in accordance with applicable regulations, such as the Zoning By-law, and all other planning documents. For clarity, this policy shall not apply where an amendment to the Town's zoning by-law is identified as an eligible cost under the programs of this Plan.

4.13 Project in Accordance with Planning Approvals & Building Permits

Community improvement works associated with an incentive program application shall only be undertaken pursuant to receiving approval of an application made under the *Planning Act* and/or building permit, and any additional required permits, and in accordance with the Ontario Building





Code and all applicable planning policies and standards.

4.14 Conformity with Design Criteria

All works completed under this Plan shall be consistent with the Town's desired goals for appearance or character of the Town, and the Town's Community Design Guidelines. An application must also be consistent with any other design guidelines or architectural control guidelines or standards that the Town may adopt in the future.

The Town will consider these details proposed by each application when determining eligibility for incentive programs of this Plan. The Town will use the design criteria as well as any future design guidelines adopted by the Town as tools to characterize whether a project is considered desirable and meets the goals and objectives of this Plan.

4.15 Complete Works to be Consistent with Approved Application

Community improvement works undertaken and completed that are associated with this Plan must be consistent with the project description contained in the application form and supporting materials, and with the program agreement. Should the works

not be consistent with the original project description, in the opinion of the Town, the Town may delay, reduce or cancel the approved incentive program benefits, and may require repayment of any of the incentive program benefits, at the discretion of the Town.

4.16 Eligible Studies and Requirements

1. An eligible study or report that has been funded in whole or in part through the financial incentive programs of this Plan shall be prepared by a qualified professional person of an accredited body, where applicable. The Town shall have the authority to determine whether an eligible study or report has been prepared by a qualified professional.
2. The applicant shall be required to submit an application form to the Town for approval prior to commencing eligible studies. The application must include a detailed study work plan, outlining anticipated timing/delivery; a quotation of a qualified person to carry out the works; and, for environmental studies, a copy of the Phase 1 Environmental Site Assessment. The applicant should also detail any known plans for redevelopment, noting and planning applications that have been submitted or approved for redevelopment of the land.





3. Approval to undertake an eligible study may be granted by Town staff or Council. Where approval by Council is required, a recommendation to Council as to how much of the proposed work, if any, is eligible for funding will be made by Town staff.
4. At the Town's discretion, further cost estimates or other information may be requested from an applicant.
5. If the number of qualifying applications exceeds the available funding to undertake an eligible study in any given year/intake, the Town may provide a lesser incentive value over all applications; may recommend consideration of an alternative program for which additional funding is available, or recommend deferral until the following year, based upon consultation with the applicant.
6. All eligible studies or reports prepared under this Plan may become property of the Town and/or the County, at their discretion.
7. Prior to issuing payment for undertaking an eligible study, the Town, at its sole discretion, may request a copy of the original invoice, indicating that the study consultants have been paid in full.

4.17 Heritage Properties and Buildings

Applicants for community improvement works to a property or building designated under the *Ontario Heritage Act* or listed by the Town as being of historical interest may be required to submit additional documentation on the subject property in support of the application. Where feasible, the municipality may be able to supplement this information based on its own information and records.

4.18 Not Maintenance or Life Cycle Replacements

Eligible projects are generally only considered to include improvements over existing features. The incentive programs are not intended to cover life cycle replacements or maintenance activities. Exceptions may be considered for original features of designated historic/heritage buildings.

4.19 Full Disclosure of Funding

Applicants shall disclose all other funding and incentives being received for the project as part of the application for financial incentives in this Plan. This includes funding that may have been granted through a different CIP, commercial loans, seed funding, or other financial assistance. At the discretion of the Town, other grants or





incentives may be deducted from the eligible grant or loan value.

4.20 Minimum Attainability Period

1. Attainable units developed under this Plan must be maintained in accordance with the definition of attainable under this Plan for a minimum period of time.
2. By default, the minimum attainability period shall be 15 years. At its discretion, the Town reserves the right to enter an agreement with an eligible applicant for a minimum period of time that differs from the default minimum period required by this Plan.
3. An agreement between the Town and the owner will be required and the agreement will be registered on title. The cost of doing of registering the agreement shall be the applicant's responsibility or property owner's responsibility. The agreement shall indicate the terms and procedures where the units are no longer attainable, and this may include full or partial repayment of any grants and loans. The minimum period of time will be established by the Town or at Council's discretion.
4. An annual statement to the Town shall be provided confirming that applicable units remain attainable under the definition established by

this Plan. For clarity, unequivocal proof that each rental unit is provided in accordance with the definition of attainable in order to uphold an agreement entered into under this Plan. This unequivocal proof may take the form of a signed lease agreement showing the name of the lessee and the affordable rental rate, along with copies of relevant documents that may include cleared cheques from a lessee that is consistent with the definition of attainable.

5. If the obligations under an agreement are not upheld, the entire amount of incentives administered under this Plan shall be fully repaid to the Town, together with any applicable costs and interest;
6. Additional reasonable requirements and conditions shall be included in the agreement on a project-specific basis and at the discretion of the Town. These requirements and conditions shall be documented in the agreement.

4.21 Change in Ownership

An agreement between the Town and an eligible applicant shall indicate applicable terms related to the sale of any property that has been subject to the programs established by this Plan.





For clarity, Any agreement that is registered on title shall be binding and shall apply where the sale or transfer of ownership of a property subject to an agreement under this Plan occurs.

4.22 Definition of Attainable Housing

“Attainable Housing” must be defined through this Plan to give effect to the Town’s, County’s and/or Province’s interest in housing, and to ensure the financial incentive programs are addressing the community’s interests in this regard. For the purpose of this Plan, a definition of “attainable” has been developed within the specific context of the Town through consultation with Council and the community. It is suggested that “attainable housing” be defined as follows:

Attainable shall mean below or near market housing that is offered and maintained to remain within reach of the following for a set time period, regardless of market pressures:

- In the case of home ownership, housing for which the purchase price results in annual accommodation costs which do not exceed 30% of the gross annual income for households within the income range of 50 – 130% of median income for the Town of The Blue Mountains.

Annual household income information will be based upon the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.

- In the case of rental housing, housing which is provided defined as at least 20% below area median rent. Area median rent information will be based on the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.

Any eligible community improvement works that are administered a financial incentive under this Plan shall satisfy the definition of attainable.

Further, at the sole discretion of Town Council, an alternative definition of attainable housing may be applied to an eligible application, provided the definition contained within this Plan and/or a proposed development that meets the eligibility criteria of this Plan,





have received formal endorsement from The Blue Mountains Attainable Housing Corporation.

4.23 Short Term Accommodations

An attainable dwelling unit developed with the grants and loans established under this Plan and subject to an executed agreement shall not be permitted to be used for a Short Term Accommodation as defined under the Town’s Short Term Accommodation (STA) Licensing By-law and in accordance with all eligibility requirements of this Plan. For full clarity, financial incentive programs administered through this Plan shall not be used for the development or redevelopment of a residential dwelling unit for the purpose of Short Term Accommodation.

4.24 Inspection Prior to Approval

Prior to approving an eligible application, Town staff reserve the right to inspect the building or property to review its condition and the proposed improvements. Similarly, the Town reserves the right to inspect completed works prior to issuing a grant, where applicable.

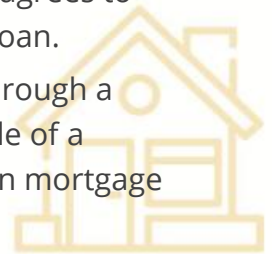
4.25 Provision of Grants

1. Following the inspection of the work and final building inspection by the local municipality, a grant may be provided for approved projects.

2. Where a grant is being issued for an eligible study, the Town, at its sole discretion, may request a copy of the original invoice, indicating that the study consultants have been paid in full. The grant payment will be calculated based on the lesser of the cost estimate provided, and the actual cost of the completion of the study.
3. Poor stewardship will not be rewarded. The Town reserves the right to withhold payment of a grant to work/projects that are substandard or completed poorly; inconsistent with the approved application, or which require a building permit and inspections have not been completed.

4.26 Provision of Loans

1. Loan repayment may be deferred for six (6) months after the advancement of the funds. Repayment may be made on a monthly basis and calculated based upon a 10 year amortization period. Full payment can be made at any time with no penalty. The loan is also transferrable to successors in title provided the new owner meets the eligibility criteria and agrees to the requirements of the loan.
2. A loan may be secured through a lien placed against the title of a property or a construction mortgage





or loan. The lien will be reflected on the tax roll and will be registered and discharged by the Town. The loan will be interest free with an amortization period of ten (10) years. A 2.5% reduction per year (based on the original loan amount) will be rewarded for early payment in full. For example, a \$10,000 loan paid full after Year 1 would be reduced by \$250 (2.5%) for years 2-10, resulting in a forgiveness of \$2,250 (\$250x9 years). The loan is fully open and may be paid in full at any time; however, loan forgiveness will be calculated as of May 31st of each calendar year.

3. All loans and mortgages applicable to a property must not exceed 75% of the post improvement value of the building and property.

4.27 Additional Decision Considerations

Prior to issuing a decision, Town staff may request further drawings, cost estimates or other information. If the number of qualifying applications exceeds the available grant funding in any given year or intake window, the Town may provide a lesser grant over all applications, may recommend consideration of an alternative program for which additional funding is available, or recommend deferral until the

following year, based upon consultation with the affected applicant(s).

4.28 Council Discretion

At Council's discretion, financial incentive programs contained within this Plan may be discontinued, or the value of the applicable grants or loans varied, provided the value does not exceed the maximum amount identified in Schedule A or the applicability of the financial incentive programs differ from the eligibility criteria established by this Plan, including the Community Improvement Project Area.





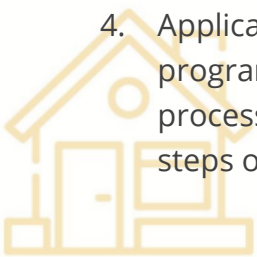
5 Administration and Monitoring

5.1 Administration of this Plan

1. Upon adoption of this Plan, Council will designate a member of Town staff to be the Plan Administrator. An alternate Plan Administrator should also be designated in the event that the primary Plan Administrator becomes unavailable.
2. By default, Council will be the approval authority, making decisions on financial applications. Council may choose to delegate this authority to a committee of its choosing by resolution in consideration of a recommendation by staff. The Plan Administrator may be included as a member of this committee or function as a coordinator for the committee.
3. The financial incentive programs outlined in this document will be administered primarily by the Plan Administrator, and decisions about whether to approve financial incentive applications will be made by Council or its designated approval authority.
4. Applications for financial incentive programs will be submitted and processed in accordance with the steps outlined in this document. The

Plan Administrator will be responsible for ensuring that this process is carried out in a timely manner.

5. Decisions on financial incentive applications and agreements will be made by Council. Should an application be refused, all applicants will be given an opportunity to request that Council reconsider its decision, as applicable. Where Council has designated approval authority to a committee, an applicant will be given an opportunity to appeal a refusal for Council consideration.
6. This Plan contains a schedule (Schedule A) that establishes the maximum value of each financial incentive program established by this Plan. Schedule A forms an operative part of this Plan and shall only be modified through a resolution of Council, or by Town staff where Council has delegated this authority. Further, the incentive program values indicated in Schedule A are maximum values only. At its discretion, the Town reserves the right to issue a lesser value.





5.2 Financial Incentive Program Budget

1. Council will establish an annual overall budget for financial incentive programs and may allocate all or a portion of the funds to individual programs based on the monitoring process outlined in this document and based on annual priorities.
2. In accordance with the monitoring process outlined in this document, Council will decide whether changes in the funding and incentive levels are necessary or warranted to ensure that this Plan functions properly considering the Town's financial circumstances. Any change to the funding for the financial incentive programs of this CIP will be made at the sole discretion of Council, without an amendment to this Plan.
3. The Town shall identify, explore and pursue external funding sources where possible to support the incentive programs, including Provincial funding sources as may be made available from time to time, and Provincial or County participation in the financial incentives, where possible.

5.3 Application Process and Payment

5.3.1 General

1. The Town will implement an "intake window" process. Under an intake window application process, the Town will establish a set timeframe in which it will accept all applications for the financial incentive programs of this Plan. All applications will be reviewed and decided upon at a meeting of Council or the delegated approval authority. The Town will endeavour to communicate the timeframe of the "intake window" in advance to ensure interested applicants have sufficient time to prepare the applications.

During this process, funding may become exhausted. Accordingly, there may be a need to prioritize which approved applications will receive funding. Should there be more approved applications than there is funding available, the prioritization will be at the sole discretion of Town in consideration of the following guidelines:

- Applications which demonstrate a significant investment in developing attainable housing within the Town.
- Applications that are located in areas of the Town with a





heightened need for attainable housing.

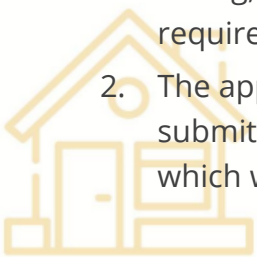
- Applications which are located in areas of the Town with full municipal servicing.
 - Consultation with the applicants to determine if any applicants are accepting of application deferral until funding becomes available.
 - Other criteria as may be determined by Council or its designated approval authority.
2. Council may direct changes to the application process without amending this Plan. Changes should be considered as part of the annual monitoring and evaluation of the Plan and in consideration of recommendations by Town staff.

5.3.2 Pre-Application and Consultation Submission

1. Applicants are required to arrange and participate in a pre-application consultation meeting with the Plan Administrator, in order to discuss and confirm application requirements, program eligibility, proposed scope of work, project timing, supporting documentation requirements, etc.
2. The applicant will be required to submit a completed application, which will include all the required

application forms, in addition to any supporting documentation, as required by the Plan Administrator or by Council or its designated approval authority. Supporting documentation may include, but is not limited to, the following materials:

- Photographs of the existing building condition or property;
 - Historical photographs and/or drawings
 - A site plan and/or professional design study/architectural drawings;
 - Specification of the proposed works, including a work plan for the improvements and construction drawings; and/or
 - At least two cost estimates for eligible work provided by licensed contractors or consultants, as appropriate in the context of the financial incentive program.
3. Once all the required forms and supporting materials are received, the Plan Administrator will undertake a preliminary screening of the proposal and application.
 4. Based on the application and proposal, the results of the preliminary screening, the Plan Administrator may perform an initial





site visit and inspection of the building/property, as necessary. The Plan Administrator will inform the applicant of the approximate time for the site visit and inspection. The applicant will accompany the inspector during the inspection, if possible, and will inform the inspector of any potential safety hazards on the site.

5. If the application clearly does not meet the program requirements, the application will not be accepted.
6. If the application meets the program requirements, the application will be accepted. By accepting an application for any of the financial incentive programs, the Plan Administrator does not guarantee program approval.

5.3.3 Application Review & Evaluation

1. Once an application has been accepted by the Plan Administrator, information related to the applicant, application, and proposal information will be entered into the Town's database in order to track the application details, progress and results in accordance with the monitoring and evaluation policies of this Plan. This will be an on-going task throughout the remainder of the application process as this

information will need to be updated as the application is processed.

2. Applications and supporting documentation will be considered by the Plan Administrator against the incentive program eligibility requirements, including both general and specific requirements. Based on the proposal, application, and fulfillment of eligibility requirements, the Plan Administrator will determine if the proposal and application will be considered eligible. Based on eligibility, a recommendation report will be prepared by the Plan Administrator. The report may recommend approval of the application, deferral of the application, or refusal of the application.
3. Should the Plan Administrator recommend approval of the application, a financial incentive program agreement will be prepared by the Plan Administrator. If applicable, the financial incentive program agreement will be forwarded to the applicant to be dated and signed.
4. Once the financial incentive program agreement has been reviewed by all parties and returned to the Town, the application, recommendation report, and agreement will be





forwarded to Council or its designated approval authority to initiate the approval process. Should the application be approved, the Plan Administrator will ensure that all parties sign the agreement prior to the commencement of any approved works.

5.3.4 Application Approval

1. If the Plan Administrator has recommended that the application be refused, the Recommendation Report will be provided to Council or its designated approval authority for a decision. Where a designated approval authority has refused the application, the applicant may re-submit the application for reconsideration by Council, provided the applicant has made consideration of the designated approval authority's reasons for refusal. If Council or its designated approval authority determines that the application should be approved, the process continues with the steps below.
2. Alternatively, if the Plan Administrator has recommended that the application be approved, the Recommendation Report and signed agreement will be forwarded to Council or the designated approval authority for consideration.

If the application is approved, the process continues with the next step. If the application is refused, the applicant may re-submit the application for reconsideration by Council provided the applicant has made consideration of Council's reasons for refusal.

3. If Council or its designated approval authority approves the application and Financial Incentive Program Agreement, the Agreement will be executed by the signing and dating of the agreements by Town officials. A copy of the signed and dated Financial Incentive Program Agreement will be provided to the applicant.

5.3.5 Timeline for Application Review and Decision

1. This Plan recognizes that the success and uptake of the financial incentive programs will depend in part on the expedience of the application and review process. As a guide, and subject to the availability of staff resources, the Plan Administrator will accept and review applications for funding in consideration of the following policies.
2. The Plan Administrator should be available to meet with a potential applicant for a pre-consultation meeting within ten (10) business





days of being requested to meet by a potential applicant, or as soon as is reasonably possible.

3. The Plan Administrator should review an application for financial incentives and notify the applicant of its completeness within ten (10) business days of receiving the application, or sooner, if possible.
4. Upon receipt of the application, the Plan Administrator should prepare a recommendation report to Council or its designated approval authority and, if applicable based on the recommendations contained within the recommendation report, prepare a Financial Incentive Program Agreement and forward it to the applicant within twenty-five (25) business days of receiving the application.
5. The application for funding should be considered for approval at the next meeting of Council if Council is the approval authority or the next planned meeting of the designated approval authority.
6. The total time between receipt of a complete application for funding and the meeting to consider the application should not exceed thirty-five (35) business days. However, the Town endeavour to formally consider an application within 30 (30) to forty-five (45) business days

from time of receipt of a complete application.

7. The execution of the Financial Incentive Program Agreement should occur within ten (10) business days of the application approval.
8. A Financial Incentive Program Agreement related to a grant may or may not be registered on title. A Financial Incentive Program Agreement in the form of a loan or the Tax Increment Equivalent Program shall always be registered on title.
9. The timelines identified above are for guideline purposes only and are not intended to be construed as deadlines. Timelines will vary depending on the availability of staff, Town resources, Council meeting timelines and/or the nature of the application received.

5.3.6 Completion of Works and Payment

1. Once an application has been approved by Council or its designated approval authority and the agreements signed and dated, and once all the required approvals and permits for the work are secured, the applicant may commence community improvement works.





2. Payment of a grant, in accordance with the Financial Incentive Program Agreement, will be issued upon successful completion of the approved works.
3. Payment of a loan may be made prior to construction, in accordance with the Financial Incentive Program Agreement and the requirements of this Plan.
4. Prior to issuing a grant, the applicant may be required to provide the Plan Administrator with final supporting documentation, which may include but is not limited to:
 - Photographic evidence of the completed works satisfactory to the Town;
 - Other documentation proving completion of the project;
 - Invoices for all eligible work done, indicating the total amount paid for eligible works;
 - Proof of payment to contractors, in full; and
 - Presentation of the terms of a loan and/or proof of approval of a loan provided by a financial institution.
5. If required, the Plan Administrator may perform a final site visit and inspection of the building/property (as necessary) in order to ensure

that the project has been completed in accordance with the Financial Incentive Program Agreement.

6. Prior to issuance of a grant, the Plan Administrator will ensure that all program requirements and details of the Financial Incentive Program Agreement have been met.
7. The Plan Administrator will take appropriate remedies as specified in the agreement if the applicant defaults on the Financial Incentive Program Agreement in any way.
8. If all the program requirements and Financial Incentive Program Agreement requirements have been met to the Plan Administrator's satisfaction in accordance with the decision of Council or its designated approval authority, the Plan Administrator will issue payment of the approved grant in accordance with the general and specific program eligibility requirement, and the Financial Incentive Program Agreement.

5.4 Monitoring and Evaluation

This CIP is primarily intended to be a flexible revitalization tool. As circumstances evolve, and as market forces, economic conditions, and financial resources change, the CIP will also need to evolve. Council or its designated authority will have the





discretion to determine funding for the financial incentive programs. However, to inform decision making about the implementation budget, and to ensure that the programs are working as they are intended, the Plan should be monitored, evaluated and, if necessary, revised, on a regular basis.

5.4.1 Process for Monitoring and Evaluation

1. An annual report card identifying the projects that received support through the CIP program, projects that applied but that did not receive funding, projects completed through the CIP program and the success stories of the CIP incentives will be completed by the Town and circulated to the County.
2. Immediately following adoption of the CIP, the Plan Administrator will begin to undertake the activities outlined in the following actions:
3. The Plan Administrator should initially develop a database upon which to monitor the number, types and success of financial incentive applications. As applications for financial incentives are received, they should be recorded in the database. Additionally, the Administrator should record all pre-application consultations related to potential application submissions,

even if the consultations do not result in an application being submitted.

4. Specific performance indicators will need to be identified and monitored. The selection of indicators will provide guidance about the success of the Plan and its individual programs. At this time, it is suggested that the Plan Administrator gather the following information from applicants (which should be incorporated into the application form for financial incentives):
 - The number of new attainable housing units that have been developed and added to the Town's attainable housing inventory;
 - The type of new attainable housing units (e.g., rental or ownership, or the building typology);
 - The location of new attainable housing units;
 - How length of time the new attainable housing units will be maintained as "attainable";
 - Indicators pertaining to attainable housing unit vacancies or where there is heightened demand;





- Demographic and economic indicators as they relate to defining “attainable housing” or may have bearing on the value of the incentives contained within this Plan;
- Indicators related to the rental prices of attainable housing units or the sale price of attainable ownership units that have been developed under this Plan;
- The approved/denied value of the grant and the total value of construction (the total public investment versus private investment);
- The projected and actual increase in property assessments and property taxes, as may be applicable; and
- Indirect indicators including economic indicators, qualitative indicators and other indicators which speak more generally to the success of the Town, and which may or may not be directly attributed to the influence and success of this Plan.

5. Other indicators should be identified and monitored on a period basis, such as:

- Utilization of the total financial incentives program budget;



- Utilization of the various incentive programs;
- Total dollars spent on other specific variables which indicate advancement of the program (e.g., number of new attainable dwelling units);
- Other indirect indicators, such as economic indicators as may be identified (e.g., number of overnight stays, number of new businesses established in the Town, etc.).

6. For the various indicators identified above, the Plan Administrator should identify baseline conditions at the outset of the Plan implementation, so that variables may be compared from year-to-year, beginning with implementation of this Plan.
7. Throughout the course of a one-year review period, the Plan Administrator should enter information from applications and pre-application consultation meetings into the database on an on-going basis.
8. Based on the information obtained, the Plan Administrator will prepare an annual report to Council to evaluate the CIP and its individual programs, based on the changes to the baseline conditions established



above, and based generally on the uptake of the programs and any new challenges that have emerged. The report will recommend adjustments to this Plan, including its terms, financial incentive programs and eligibility criteria, to improve the programs offered through the Plan. The report will provide recommendations based on the results of monitoring.

Recommendations may include:

- Budget adjustments or funding strategies;
 - Potential revisions to the CIPA;
 - Adjustments to the financial incentive programs including the addition or discontinuation of programs, where necessary; and
 - Any necessary changes to plan administration or processes.
9. The report should be made available on the Town’s website each year for public review. The reporting of financial incentive program success should be accompanied by before and after photos of the projects completed to communicate the successes of the Plan.
 10. Additionally, the annual report should include a review, summary and analysis of potential funding opportunities from the Province,

County or other sources as may become available.

5.4.2 Program & Plan Adjustment

Based on the annual review and report to Council, adjustments to this Plan may be required, including:

1. **Adjustments to the Plan:** Based on the monitoring and evaluation process, changes to the terms of this Plan, the eligibility requirements, or the financial incentive programs may be required. Council may also choose to discontinue funding for one or more of the financial incentive programs and may do so without amending this Plan. However, the permanent change or removal of a financial incentive program or the addition of eligibility criteria or eligible costs will require an amendment to this Plan in accordance with Section 28 of the *Planning Act*.
2. **Adjustments to Program Funding:** It is recognized that Council or its designated authority may choose to cease, reduce or increase funding to one or more of the financial incentive programs, based on an evaluation of this Plan. Any review or adjustment to the program funding or value of the financial incentive programs will be reviewed in consultation with the community





and stakeholders. Adjustments to specific program funding or the amount of the annual budget to fund this CIP will not require an amendment to this Plan. The activities above are intended to be repeated on an annual basis throughout the life of this Plan.

5.4.3 Implementation

Town Council or its designated approval authority will oversee the implementation of this Plan while day-to-day tasks associated with implementation will be coordinated by the Plan Administrator.







6 Glossary of Terms

To assist in the interpretation of this Plan, the following defines some of the terms used in this Plan:

1. **Applicant**, unless otherwise indicated, means a registered owner, assessed owner or tenant of lands and buildings within the community improvement project area who has a right to apply for one or more financial incentive(s) in accordance with the policies of this Plan.
2. **Approval Authority** means the body responsible for approving or denying financial incentive applications. By default, the approval authority is Council. However, Council may designate an approval authority in accordance with the policies of this Plan.
3. **Attainable** shall mean below or near market housing that is offered and maintained to remain within reach of the following for a set time period, regardless of market pressures:
 - In the case of home ownership, housing for which the purchase price results in annual accommodation costs which do not exceed 30% of the gross annual income for households

within the income range of 50 – 130% of median income for the Town of The Blue Mountains.

Annual household income information will be based upon the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.

- In the case of rental housing, housing which is provided defined as at least 20% below area median rent. Area median rent information will be based on the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.

Any eligible community improvement works that are administered a financial incentive under this Plan shall satisfy the definition of attainable.

Further, at the sole discretion of Town Council, an alternative definition of attainable housing may





be applied to an eligible application, provided the definition contained within this Plan and/or a proposed development that meets the eligibility criteria of this Plan, have received formal endorsement from The Blue Mountains Attainable Housing Corporation.

4. **Community Improvement** unless otherwise specified, is as defined in accordance with its definition under Section 28 of the *Planning Act*.
5. **Community Improvement Plan** unless otherwise specified, is defined in accordance with its meaning under Section 28 of the *Planning Act*.
6. **Community Improvement Project Area** unless otherwise specified, is as defined in accordance with its meaning under Section 28 of the *Planning Act*.
7. **Community Improvement Works** refer to the activities undertaken in accordance with the policies of this Plan, including activities that may be funded by the financial incentives.
8. **Council** means the Council of the Town of The Blue Mountains.
9. **Financial Incentive Program** means a program listed in Part 3 of this Plan.
10. **Financial Incentive Program Agreement** means an agreement

executed between the Town and a successful applicant for a financial incentive program, as required by this Plan.

11. **Mixed-use** means a combination of a mix of commercial uses (e.g., retail, restaurant, office) along with apartment dwellings located either in the upper storey(s) or the rear of the same building.
12. **Municipality** means the Town of The Blue Mountains.



Schedule A

Financial Incentive Program Value Guideline

Financial Incentive Program Value Guidelines

1. Schedule A forms an operative part of this Plan by identifying the maximum value of each financial incentive program established by the Town of The Blue Mountains Housing Within Reach CIP.
2. The Town, at its sole discretion, may administer grants or loans to eligible applicants in amounts that are less than the values shown in Table A: Housing Within Reach CIP Program Value Guidelines without formal amendment to this Plan by a by-law of Council.
3. For clarity, any increase to the maximum grant or loan values shown in Table A: Housing Within Reach CIP Program Value Guidelines would require a resolution of Council.
4. In order to be eligible for the grant or loan values shown in Table A: Housing Within Reach CIP Program Value Guidelines, applicants shall satisfy all eligibility requirements of this Plan.

Table A: Housing Within Reach CIP Program Value Guidelines

Financial Incentive Program	Grant Value	Loan Value
Feasibility Grant Program	The value of a grant shall be 100% of eligible costs to a maximum of \$20,000.00 per property.	The Feasibility Grant Program is not offered as a loan.
Development Charges Grant Equivalent Program	The program is available as a grant. The value of the grant is based on the value of development charges applicable to the number of attainable dwelling units in a development. The maximum value of the grant shall be 100% of the value of the applicable development charges, to a maximum of \$250,000.00.	The Development Charges Grant Equivalent Program is not offered as a loan.
Tax Increment Equivalent Program	The maximum value of a grant shall be equivalent up to 50% of eligible costs to a maximum of \$25,000.00 per year for up to 10 years following completion of an eligible project. Further, the	The maximum value of a loan shall be equivalent up to 50% of eligible costs to a maximum that is equivalent to \$50,000.00 per year over 10-years. Further, the maximum loan value shall not exceed ten times the amount of

Financial Incentive Program	Grant Value	Loan Value
	maximum grant value shall not exceed five times the amount of the initial tax increment.	the tax increment resulting from development.
Municipal Fees Equivalent Program	The maximum grant value shall be 100% of fees, or \$10,000.00, whichever is less.	The maximum loan value shall be 100% of fees or \$20,000.00, whichever is less.
Downtown Apartment Rehabilitation or Conversion Program	The maximum value of a grant shall be 50% of eligible costs to a maximum of \$15,000.00 per attainable dwelling unit. The maximum number of eligible attainable dwelling units per property shall be four.	The maximum value of a loan shall be 50% of eligible costs to a maximum of \$30,000.00 per dwelling unit. The maximum number of eligible attainable dwelling units per property shall be eight.
Additional Residential Unit Program	The maximum value of a grant shall be 50% of eligible costs to a maximum of \$15,000.00.	The maximum value of a loan shall be 50% of eligible costs to a maximum of \$30,000.00.
Surplus Land Grant Program	The Town and the County will work together to determine the value of a surplus property. As an outcome of the RFP process, surplus land may be granted at a significantly reduced value or at no cost.	
Landbanking Policy	Grant or loan values are not applicable to the Landbanking Policy.	