

Town of The Blue Mountains

Community Improvement Plan

Background Report and Issues Memorandum

March 2026



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Executive Summary

In 2021, the Town of The Blue Mountains developed two Community Improvement Plans (CIPs) with financial incentives geared to revitalize the community, improve the quality of life for the community's residents, better utilize under-developed properties and promote private investment in land and buildings. The *Town Wide Revitalization Community Improvement Plan (Town Wide Revitalization CIP)* provides targeted financial incentive programs to promote private property improvement and revitalization. The *Housing Within Reach Community Improvement Plan (Housing Within Reach CIP)* encourages and facilitates the development of attainable housing within the Town.

Since adoption, the *Town Wide Revitalization CIP* has successfully supported several economic development projects. However, the *Housing Within Reach CIP* has not elicited the desired funding uptake. The Town is now undertaking a comprehensive review of both CIPs to determine how the CIPs can more successfully meet Plan objectives and address evolving housing, economic, and community revitalization needs. This comprehensive review of the Town's existing CIPs will result in the preparation of a new CIP that integrates components of the existing CIPs and provides updated objectives, incentive programs, and program implementation measures.

Engagement with the community and key stakeholders is an important part in the preparation of the new CIP to ensure that the Plan is reflective of community needs and fosters strong program uptake to successfully meet CIP objectives. Community engagement will play a central role in shaping the final CIP, ensuring that funding programs effectively support housing creation, business growth, rural and agricultural investment, and long-term community resilience.

This Background Report and Issues Memorandum (Background Report) is a first step in outlining what should inform the new CIP. This Background Report outlines the current legislative and policy framework that guides the creation of a CIP, analyzes the successes and challenges of existing CIP programs and highlights potential objectives and opportunities for the new CIP. The findings and analysis contained in this Background Report have been informed by the Technical Papers prepared by Parcel Economics and Tim Welch Consulting Inc., as well as direction in recent Town endorsed studies and Plans.

Background research highlights significant population and employment growth projected to 2046, which will increase pressure on housing affordability, commercial capacity, and local infrastructure. While the *Town Wide Revitalization CIP* has supported property improvements and local business investment, the limited uptake of the *Housing Within Reach CIP* highlights the need to recalibrate incentives to better reflect current development challenges, market conditions, and community priorities. This Background report concluded that key considerations for the new CIP will include:

- Expanding areas of eligibility for CIP programs to additional areas such as the rural and agricultural areas and Blue Mountain Village;
- Refining CIP objectives to support affordable and attainable housing, rental housing, and a commitment to meeting housing needs over the long-term;
- Considering programs specific to the needs of the Town such as to address limited rental housing supply, high development charges, innovative agricultural/agri-tourism programs.
- Combining of incentives is a key method to ensure that sufficient financial incentive are provided to effect a project, this process will consider how any future County-level CIP could be combined with Town CIP programs; and
- Streamlining administration requirements for Town staff to ensure sufficient capacity to administer programs.

Key phases in the preparation of the new CIP will include:



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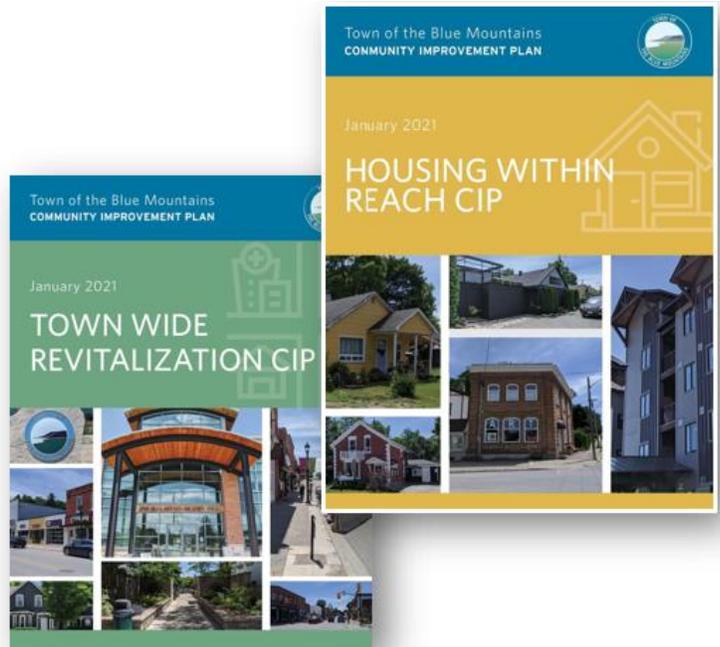
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1.0 Introduction

The Town of The Blue Mountains has engaged NPG Planning Solutions Inc. (NPG) to lead a comprehensive review and update of its two existing Community Improvement Plans to determine how these plans can more support housing affordability, economic sustainability, and local revitalization more broadly across the Town. NPG will lead the preparation of the CIP and will be supported in this work by Parcel Economics as expert land economists, and Tim Welch Consulting as housing experts.

A CIP is a planning tool under the Ontario *Planning Act* that allows municipalities to identify specific areas for revitalization and provide programs, grants, or incentives to stimulate economic and social improvements. In 2021, the Town of The Blue Mountains developed two CIPs, the *Town Wide Revitalization Community Improvement Plan* and the *Housing Within Reach Community Improvement Plan*. The *Town Wide Revitalization Community Improvement Plan* provides targeted financial incentive programs to promote private property improvement and revitalization. The *Housing Within Reach Community Improvement Plan* encourages and facilitates the development of attainable housing within the Town. Together, these plans aim to support community revitalization, improve quality of life for residents, support better use of under-developed properties, and encourage private investment in lands and buildings.



The Town of The Blue Mountains CIP review will result in a comprehensive, new CIP that integrates relevant components of the existing CIPs and ensures that CIP objectives and funding programs are aligned with the Town's evolving needs, priorities, and aspirations. Preparation of the new CIP will include background research to outline evolving housing and economic trends in Blue Mountains to ensure that the CIP is responsive to current and future community needs. The final plan will introduce incentives that encourage the development of affordable and attainable housing, foster the growth of local businesses, and align with broader municipal priorities for sustainable growth and community resilience.

2.0 Legislative and Policy Framework for CIPs

In preparing a CIP, it is important to understand the legislative and policy framework that authorizes the preparation of these plans and establishes mandatory processes and requirements. This section also outlines key direction from recent studies and Plans endorsed by Grey County and the Town.

2.1 Planning Act, R.S.O. 1990, Chapter P.13

2.1.1 Authority to Prepare a CIP

The *Planning Act* is the Provincial legislation that establishes the rules for land use planning in Ontario and is also the primary document that authorizes the preparation and implementation of CIP.

Section 28 of the *Planning Act* provides the following key definitions related to CIPs:

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

“community improvement plan” means a plan for the community improvement of a community improvement project area.”

“community improvement project area” means a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason.

Section 28(2) of the *Planning Act* indicates that a CIP may be prepared when:

- i. An Official Plan has policies related to community improvement; and
- ii. After a by-law has been passed by Council to designate all or part of a municipality as a **community improvement project area (CIPA)**.

Section 28(4) of the *Planning Act* provides that Council must pass a by-law prepare a CIP for a CIPA after passing by-law has been passed designating a CIPA, Council may prepare a CIP for that area.

2.1.2 Recent Legislative and Policy Changes Related to CIPs

Recent provincial changes relevant to legislation for CIPs include changes to the *Planning Act* through Bill 60, *Fighting Delays, Building Faster Act, 2025*.

Subsection 28(2.1) of the *Planning Act* now enables the council of upper-tier municipalities to designate any area within the upper-tier municipality as a CIPA by by-law. Further, subsection 28(7.2) currently permits the councils of upper-tier municipalities and of lower-tier municipalities to make grants or loans to one another for the purpose of carrying out a community improvement plan. The subsection has also been amended to remove the requirement that the municipality making the grant or loan must have an official plan that contains provisions relating to the making of such grants or loans.

Grey County will be consulted through this process to consider future opportunities for a County level CIP that could provide additional or matching funding for CIP programs.

2.2 Municipal Act, 2001

The *Municipal Act* sets out rules for governance for Ontario municipalities, including the Town of The Blue Mountains. The Act gives broad powers to pass by-laws and govern.

Section 106(2) of the *Municipal Act* generally prohibits municipalities from providing financial assistance. However, Section 106(3) provides exceptions, which includes for authorized CIPs under the *Planning Act*.

2.2 Recolour Grey, County of Grey Official Plan, 2019 (Consolidation May 2025)

The County Official Plan entitled, “Recolour Grey,” establishes the goals, objectives and policies to direct land use changes across the regional community. The County Official Plan received Provincial approval and was in effect as of June 2019.

The County Official Plan anticipates significant growth of population and employment within the County and the Town of The Blue Mountains into 2046. Tables 1 and 3 of the Grey County Official Plan forecast that by 2046, the Town of The Blue Mountains will grow to 16,300 residents and 6,810 jobs, corresponding to a growth of 6,750 residents and 1,590 jobs.

The County Official Plan also provides direction for CIPs in Section 9. Specifically, the County Official Plan identifies key matters such as the creation of affordable/attainable housing, promotion of on-farm business growth, economic growth, intensification in specific areas, and more. Section 9.16 highlights specific objectives for CIPs, which includes:

- a) *To encourage the efficient provision and maintenance of physical infrastructure, public services, and utilities to serve present and future needs on a local and regional scale;*
- b) *To address issues which may be particular to one neighbourhood or region;*
- c) *To ensure the maintenance and renewal of older housing stock;*
- d) *To promote the creation of affordable/attainable housing stock;*
- e) *To foster redevelopment, reuse and/or maintenance of existing brownfield sites, vacant sites, greyfield sites, and/or current commercial and industrial sites;*
- f) *To enhance the visual appeal of downtown core areas and neighbourhoods;*
- g) *To promote on-farm business growth, value-added agriculture, agri-tourism, facility improvements, or farm innovation;*
- h) *To encourage the preservation and adaptive re-use of built heritage;*
- i) *To promote energy efficiency and sound environmental design;*
- j) *To foster economic growth within designated areas;*
- k) *To promote intensification in targeted areas;*
- l) *To encourage local participation in funding programs for local development which may also be eligible for Provincial or Federal funding.*

It is noted that the County does not have approval authority for Community Improvement Plans in the Town of the Blue Mountains.

2.3 Town of The Blue Mountains Official Plan, 2016

The Town's in-effect Official Plan was approved by Council in 2016. The Town's Official Plan is the principal policy document which the Town uses to express its goals and objectives for the community, significant environmental and economic conditions, and its development or redevelopment. The Official Plan provides a general policy direction and planning framework to guide the physical, social, economic, and environmental management and growth of the Town of The Blue Mountains.

The Town's Official Plan establishes the vision, corresponding principles and supporting policies to guide the Town's development into the 2026 planning horizon.

The vision for the Town states that the Town is a community that:

- *Supports the protection of our natural and rural resources;*
- *Supports sustainability principles;*
- *Values its heritage; and*
- *Supports the protection of community character*

The principles that provide the basis for effective land use planning are:

- *That planning authorities establish a mix of uses in appropriate locations to support the establishment of a complete community;*
- *Planning for active communities where residents and employees are encouraged to lead more healthy lifestyles because of the provision of a range and mix of uses.*

Section E3.5 of the Official Plan speaks directly to community improvement and states CIPs within the Town are intended to renew and improve the built environment by enhancing safety, optimizing existing services, upgrading infrastructure, and creating attractive, pedestrian-friendly public spaces. The following specific goals related to community improvement are also provided:

- To preserve rehabilitate and redevelop the existing built environment;*
- To maximize the use of existing public infrastructure, facilities, and amenities;*
- To coordinate private and public community improvement activities;*
- To promote development and redevelopment that is sustainable in nature;*
- To guide the Town in setting priorities for municipal expenditure respecting community improvement projects;*
- To participate, wherever possible, in Federal and/or Provincial programs to facilitate community improvement;*
- To reconcile existing land use conflicts and minimize future land use conflicts.*
- To provide new affordable housing (2022 Town OP only).*

These goals will be considered during the Community Improvement Plan Review project.

2.3.1 The Blue Print, Town of The Blue Mountains Official Plan (DRAFT June 2025)

The Town is currently updating its Official Plan to align with new policy directions by the County and Province. As of the writing of this report, the Town's draft Official Plan (draft Official Plan) has been submitted to the County of Grey for review and approval but is not in force and effect.

The draft Official Plan establishes a planning horizon to 2046. Guiding principles in Section A1.1 remain committed to providing a range of housing types at varying price points, protecting community and neighbourhood character, support growth of industry and tourism recreation sectors, encourage revitalization of downtown areas, and an innovative agricultural sector.

Section E3.5 of the Town's draft Official Plan provides direction for community improvement. Community improvement goals in Section E3.5.2 include:

- To preserve, rehabilitate and redevelop the existing built environment.*
- To maximize the use of existing public infrastructure, facilities and amenities.*
- To coordinate private and public community improvement activities.*

- d) *To promote development and redevelopment that is sustainable in nature.*
- e) *To guide the Town in setting priorities for municipal expenditure respecting community improvement projects.*
- f) *To participate, wherever possible, in Federal and/or Provincial programs to facilitate community improvement.*
- g) *To reconcile existing land use conflicts and minimize future land use conflicts.*
- h) *To provide new affordable housing.*

The draft Official Plan also provides objectives, criteria for selecting an area for community improvement, phasing and implementation guidance for community improvement. Objectives and criteria intend to direct community improvement where it will have the most impact, and targets the commercial core areas of Thornbury, Clarksburg and Craigleith, as well as built up areas in the Town. The agriculture sector is not specifically highlighted as a priority focus, however, this is an area where the Town is positioned to provide assistance.

4.0 Relevant Plans & Studies

In preparing the new CIP it is critical to consider recent Town-initiated studies that should inform the goals, objectives and policy directions of the CIP. The following are the plans and studies that will inform the preparation of the new CIP so it is responsive to evolving local community needs and trends.

4.1 County Plans & Studies

4.1.1 Grey County’s Housing and Homelessness Plan, 2014-2024 (5 Year Review)

The Grey County Housing and Homelessness Plan (GCHHP) was initially prepared to address housing needs in the County for the 2014-2024 planning horizon. The Plan was updated in 2019.

The GCHHP provides a vision for how housing should be delivered to support the diverse needs of the County. The plan provides a vision and objectives to support the provision of affordable housing throughout the County.

The vision and guiding principles for the Plan are:

That everyone in Grey County has access to stable and affordable housing that is suitable to their needs. That everyone in Grey County has access to supports to assist them to remain housed or located alternate housing as quick as possible.

The key principles are early intervention, housing supports, strong community partnerships and innovative local housing solutions.

The 2019 review of vacancy rates and rental costs within Grey County determined that over 8,000 households in the County are unaffordable. In response, the GCHHP outlines the following strategies to improve the situation:

	<p>STRATEGY 1: Create More Affordable Housing</p>		<p>STRATEGY 2: Preserve Existing Stock</p>
	<p>STRATEGY 3: Reduce Chronic Homelessness</p>		<p>STRATEGY 4: Increase Supportive Housing</p>

4.1.2 Grey County Housing Action Plan, June 2023

The Housing Action Plan was adopted by County Council on June 8, 2023. The Plan is intended to complement and support achievement of the targets within the GCHHP.

The Grey County Housing Action Plan (the “Housing Action Plan”) explores options and interventions to address the housing supply and affordability challenges. The Plan identifies the projected population growth for the County into 2046, and anticipated affordability gaps with growth. It also establishes clear actionable steps that the County has committed to, and which are underway or established, outlines new action items as well as potential and future opportunities. Relevant action items to the CIP include:

Current Action Items

Current action items in the in the Plan highlight:

- **Maintain and enhance Community Improvement Plan (CIP) Incentives** – Grey County has made it a priority for every lower-tier municipality throughout the County to review and update Community Improvement Plans with a specific focus on identifying how municipalities will increase options for providing additional affordable housing stock. The Housing Action Plan indicates that most municipalities in the County, including the Town of the Blue Mountains, have already established incentives to encourage affordable/attainable housing such as TIEG’s, DC Exemptions, Surplus Lands, and more. The action item indicates that the County will commit to continue to support CIP incentive programs for local CIPs.
- **Maintain and enhance DC Deferrals and Conditional Exemptions for rental housing and nonprofit housing** – Deferrals and Conditional Exemptions have been established and are being utilized for; non-profit housing, purpose built rental housing, and CIP-incentivized development
- **Work with Non-Profits to create affordable housing & to build local capacity for affordable housing creation** – underway in Owen Sound particularly
- **Create supportive/transitional Housing** – Additional opportunities to increase the local affordable, supportive and transitional housing supply will be explored by the County proactively and as they may arise

New Action Items

The County committed to new actions items including:

- **Explore funding models & tools to build affordable housing (e.g. community bonds, social finance tools)**
- **Pursue planning process efficiencies** – to streamline planning processes at the County and municipal levels

- **Advocate to Provincial and Federal governments** – for additional solutions/housing tools suitable to a Grey County context and for funding to support local housing need and affordable housing creation
- **Enhance data collection & sharing locally** - explore opportunities to enhance data resources to monitor housing need and support and track affordable unit creation
- **Develop Green Development Standards** - develop a Green Development Standard framework for the County

Potential/Future Opportunities

- **Celebrate and promote the efforts of developers that undertake affordable/attainable housing projects** - provide examples and content/information of housing projects to highlight in their communities



4.1 Town Plans & Studies

4.2.1 Corporate Strategic Plan, 2026

The Town's has prepared a Corporate Strategic Plan “*Our Path Forward: 2026-2027*”, adopted by Council on February 9, 2026, to outline the priorities of the Town. The vision for the Town states “where our unique natural and cultural environments nurture a thriving community and future for all.”

The Plan identifies five key values:

- **Leadership:** continuously seeking ways to enhance and innovate how the Town serves the community;
- **Stewardship:** Honouring the Town’s responsibility to care for the natural environment and community, its history and its future;
- **Accountability & Transparency:** Building trust through ownership, follow-through and effective communication;
- **Respect:** Creating an inclusive culture of belonging by welcoming diverse perspectives and treating each one with dignity;
- **Collaboration:** Engaging with colleagues, communities, and neighbours to shape and advance the Town’s collective goals.

Key areas of focus in the Strategic Plan relevant to the preparation of the CIP include:

Community for Everyone		
Fostering a safe, inclusive and accessible community where people of all ages and stages of life can thrive.		
Objective	Initiatives	Success Measures
Support the creation of diverse housing options across the affordability spectrum.	<ul style="list-style-type: none"> • Review and update, as required, the Town’s Housing Action Plan to identify measurable initiatives, timelines, resource requirements and expected outcomes. • Strengthen the Community Improvement Plan and land use planning tools to support affordable housing development. • Align and prioritize infrastructure planning and 	<p><u>Community</u></p> <ul style="list-style-type: none"> • Number of affordable housing units supported by the Community Improvement Program.

	investment in areas targeted for affordable housing.	
Strong & Diverse Economy		
Building a strong local economy by supporting established businesses and encouraging new opportunities to drive long-term prosperity.		
Objective	Initiatives	Success Measures
Promote economic diversification to build a resilient economy, including agriculture.	<ul style="list-style-type: none"> Develop an Agriculture Sub-Sector Strategy, as proposed in the Economic Development Action Plan, to support agritourism, agri-food innovation, and other business diversification opportunities within the agricultural sector. Review and identify property-specific pre-zoning opportunities to support more commercial and industrial development in the Town. 	<ul style="list-style-type: none"> Increased % in three-year business survival rate. Increased business growth in emerging sectors (e.g., agritourism).

Of particular importance to the CIP review are the areas of supporting the creation of more diverse and affordable housing options, and the promotion of economic diversification to build a resilient economy, which encourage the Town to focus on:

- *Strengthening the CIP and land use planning tools to support affordable housing development;*
- *Aligning and prioritizing infrastructure planning and investment in areas targeted for affordable housing;*
- *Exploring the feasibility of a priority review or concierge system for affordable housing projects;*
- *Exploring opportunities to support agritourism and other business diversification opportunities in the agricultural sector;*
- *Review existing Town policies and by-laws to reduce barriers for local business success.*

4.2.2 Economic Development Strategy, 2021-2025

The Town's Economic Development Strategy was adopted in 2021 and guides planning for the Town into 2025.

The Strategy aims to facilitate business growth by leveraging strategic partnerships, investing in community development, enhancing the quality of life, and mitigating economic risk factors in response to the anticipated growth of 2,075 full-time residents by 2038.

The Strategy notes that only 20% of households earn more than \$150,000, which is approximately the minimum income to afford a home in the Town based on standard mortgage calculations and rates. Long-term rental housing is noted as being under supplied. It is indicated that many in the current labour force cannot access the housing market due to costs leading to labour demand challenges for local businesses.

The Strategy indicates that the Town has been experiencing steady growth in the number of building permits that have been issued between 2012-2020. Increasing housing stock and housing options is a key component of the plan and is something that will be considered in preparation of the new CIP. The Town is indicated to be actively involved in addressing the availability of housing supply and stock through its work with The Blue Mountains Attainable Housing Corporation with a goal of creating and expanding the supply of healthy and sustainable housing.

Key challenges identified through the Strategy that are particularly relevant to the CIP include:

- *Access and Availability of Housing;*
- *Investment into Growth Infrastructure;*
- *Workforce Retention and Development;*
- *Economic Diversification; and*
- *Resident Attraction and Retention*

The Plan recommends strategic priorities and action items to address challenges, including:

Priority 1: Supporting Business Growth and Facilitating Success

1.1 Conduct annual economic development and business survey

Priority 2: Strengthening Infrastructure, Business and Development Readiness

- 2.2 Update Business Retention & Expansion Study to identify business opportunities to target investment within core economic and geographic areas
- 2.5 Review community beautification efforts and infrastructure needs and develop a level of service to be considered by Council
- 2.6 Conduct a review of community identity and wayfinding signage

Priority 3: Developing an Innovative Workforce and Attracting Visitors

- 3.1 Assess the feasibility of creating a cooperative co-working space and accelerator for startup businesses
- 3.5 Develop community profile and business toolkit to attract new businesses and entrepreneurs

Priority 4: Prioritizing the Community's Quality of Life

- 4.2 Develop an Aging in Place Strategy to Identify an Action Plan to Support the Aging Population and Resident Retention
- 4.4 Establish EDAC Task Force to review strategic business development and property acquisition opportunities and provide recommendations to Council, with a focus on the following: Assess the need for office space; Support housing supply through infill and mixed-use development; Support retail businesses in core economic areas.

4.3 Town of The Blue Mountains Destination Strategy, 2025-2030

The Town's Destination Strategy presents the Town's first formal tourism strategy, adopted by Town Council in May 2025. The Strategy is intended to guide the development, management, and marketing of the Town's tourism over a period of five years. Tourism is an invaluable asset to the Town and a pillar of the Town's economy, currently employing over 1,780 people across the 165 tourism-related businesses. Due to the Town's blend of rich cultural heritage and natural surroundings the Town is considered a true "four-seasons" tourist destination that attracts visitors throughout the year.

The Strategy sets out four strategic pillars along with related objectives being:

1. Connected and Empowered Destination Network

- Objective A1 – Strengthen the Town's role and capacity as a destination management leader
- Objective A2 – Grow knowledge and understanding of destination opportunities and challenges
- Objective A3 – Foster new relationships and formalize existing partnerships to expand capacity

2. Accessible and Quality Destination Experience

- Objective B1 – Enhance the sense of place and invest in tourism infrastructure
- Objective B2 – Align and enhance the destination's tourism services

3. Cohesive and Inspirational Destination Density

- Objective C1 – Bring to life an exclusive, distinctive, and compelling place brand
- Objective C2 – Mindfully market and promote the entire destination

4. Compelling and Diversified Destination Offering

- Objective D1 – Guide the development of a diversified and four-seasons tourism offering

Of particular importance to the CIP update is the unique opportunity for businesses within Blue Mountain Village and the greater community to leverage potential CIP incentive programs to bolster the Town's strong reputation as a destination leader. The Destination Strategy also highlights clear infrastructure and service gaps, such as the need for enhanced pedestrian environments, public amenities, and cohesive wayfinding, that CIP incentive programs can be uniquely positioned to address. The Strategy also calls for coordinated destination development and management, noting that great places to live "make great places to visit," a principle that aligns directly with a CIP's mandate to stimulate private-sector reinvestment and strengthen areas within municipalities. By

leveraging CIP incentives, businesses in Blue Mountain Village and across the municipality can play an active role in advancing the Strategy’s vision for a more accessible, high-quality, and cohesive destination experience ultimately reinforcing The Blue Mountains’ reputation as a provincial leader in four-season tourism.

4.4 Sustainability Plan, 2022

The Town’s sustainability plan, formally known as “The Blue Mountains Future Story” provides guidance and recommended actions related to fostering sustainability in the Town. The Plan was approved by Town Council on July 4, 2022. The plan focuses on six interconnected systems:

- **The natural environment:** *how the Town protects its natural resources and manages climate change)*
- **The built environment:** *how the Town’s neighbourhoods can be built to improve quality of life*
- **The economy:** *how the community can remain vibrant and successful for decades to come*
- **Community & culture:** *how the Town’s human and natural heritage can be preserved and enhanced*
- **Social well-being:** *how the Town’s residents can maximize their quality of life.*
- **Governance:** *ways to improve collaboration throughout the Town.*

The Town’s Sustainability Plan can have an impact on the CIP update project in several ways, such as:

- Providing financial incentives for the development of sustainable buildings and use of green building standards (i.e. if a building meets a certain number of the criteria, then it is eligible for the program);
- Providing financial incentives supporting electric vehicle charging infrastructure and general active transportation infrastructure;
- Provide financial incentives to fund active transportation improvements such as bike parking, trail connections, and pedestrian friendly site upgrades; and
- Provide grants for energy efficient retrofits, renewable energy systems, and water saving upgrades in existing buildings.

5.0 Overview of Existing Town CIPs

5.1 Background

The Town has two (2) existing CIPs that were adopted in 2021, the *Housing Within Reach CIP* and the *Town Wide Revitalization CIP*. These plans aim to support economic development and support the creation of attainable housing.

The preparation of these CIPs was supported by an initial survey, which the Town conducted from September 2019 to October 2020 to inform the development of the plans. The 2019-2020 Blue Mountains CIP Survey showed strong engagement from full-time and seasonal residents, with most permanent residents owning their homes. While many reported no direct housing barriers, open-ended feedback highlighted concerns about overdevelopment, affordability, limited transit, and housing challenges for younger families. Business owners cited COVID-19 impacts, labour shortages, and lack of local employee housing, alongside concerns about commercial affordability and day-tourism. Key revitalization priorities included attainable housing, improved building frontages, economic development, public realm upgrades, and better active transportation.

5.1.1 Housing Within Reach Community Improvement Plan, 2021

The *Housing Within Reach CIP* supports the development of attainable housing throughout the Town. The CIP provides incentive programs to stimulate attainable housing development by the private and non-profit sectors.



The CIP identifies the following goals:

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 tenures.*
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.*

To achieve the above noted goals the *Housing Within Reach CIP* provides grants to support the creation of new residential units within the Town. Grants are also provided to

offset development costs which would result from the creation of new housing (namely the Development Charges Grant Equivalent Program and the Tax Increment Equivalent Program).

Eligible applicants for CIP programs include landowners, tenants with owner consent, and non-profit organizations, provided they meet all program-specific and general requirements. Projects must comply with municipal by-laws, planning approvals, building permits, and design criteria, and cannot have outstanding tax arrears. Incentives apply only to eligible works, cannot duplicate benefits from other CIPs, and require complete applications, full funding disclosure, and adherence to approved plans to receive grants or loans.

5.1.2 Town Wide Revitalization Community Improvement Plan, 2021

The focus of the *Town Wide Revitalization CIP* is to provide financial incentives that promote private property improvement and revitalization.

The main focus areas of the *Town Wide Revitalization CIP* are the three commercial areas of Thornbury, Clarksburg and Craigleith, as well as the Bruce Steet/Marsh Street Corridor. The CIP identifies the following general objectives:



1. *To maintain and reinforce the traditional character and heritage of the Town, particularly in commercial areas.*
2. *Enhance community gateways and wayfinding in public and private spaces.*
3. *Support community improvement initiatives aimed at strengthening local businesses.*
4. *Improve accessibility and use universal design principles across community improvement projects.*
5. *Ensure development aligns with the Town’s Community Design Guidelines and Sustainability Plan.*

Secondary objectives are provided for key commercial areas (Thornbury, Clarksburg and Craigleith), employment areas, and rural and agricultural areas.

The *Town Wide Revitalization CIP* has seen general success in distributing funding as explored in subsequent sections below. Some examples of the types of works that qualify for the CIP are:

- *Improvement of buildings, facades, and properties;*
- *Remediation and redevelopment of environmental contaminated properties;*
- *Development/redevelopment of underutilized properties (e.g. residential conversions);*

- *Accessibility improvements to buildings*

Eligible applicants typically include property owners and tenants with owner consent, provided they meet all program-specific and general requirements. Projects must comply with municipal by-laws, planning approvals, and building permits, and applicants must be free of tax arrears. Incentives apply only to eligible works, require complete applications and full funding disclosure, and cannot be combined with similar benefits from other CIPs for the same costs.

5.1.3 Eligibility Requirement Comparison

In both CIPs the boundaries for community improvement (CIPA) include the entire Town of The Blue Mountains. However, specific programs limit eligibility to apply to specific areas or properties with specific zoning.

The Town's *Housing Within Reach CIP* and the *Town Wide Revitalization CIP* share several foundational eligibility requirements, including the need for applicants to be property owners or tenants with owner consent, compliance with municipal by-laws and planning approvals, completion of eligible works within the designated Community Improvement Project Area, and the absence of tax arrears. Both require complete applications, full funding disclosure, and adherence to approved plans to receive incentives.

The *Housing Within Reach CIP* includes additional, more specialized requirements tied to attainable housing, such as meeting the Town's definition of attainability, maintaining a minimum attainability period, and prohibiting short-term accommodations. It also includes unique programs related to surplus land and landbanking, which do not appear in the broader, commercially focused *Town Wide Revitalization CIP*.

5.2 Existing CIP Successes and Challenges

Monitoring data related to the existing CIPs has focused on program uptake from 2023-2025 and indicates the types of projects approved. As a single CIP application or project may apply for several funding programs, a total of 70 incentive programs across 38 different projects have been submitted to the Town for the CIPs, with five (5) in Fall 2023, ten (10) in Spring 2023, 13 in Spring 2024, and ten (10) in Fall 2025.

To date, the Town has approved approximately \$420,000 in funding across 38 applications. Of this amount, roughly \$213,000 has been issued through 20 completed projects. Four additional applications have been approved and are awaiting agreement execution, while eight others have received approval and are pending project completion before funds can be released. A total of six applications were forfeited, meaning the applicants did not receive their approved funding due to loss of eligibility. The loan

programs saw the little uptake, and have been found to be administratively burdensome to implement.

The most used programs for the Townwide Revitalization CIP included:

1. Building Improvement and Renovation Program
2. Building Façade & Signage Program
3. Property Enhancement and Improvement Program

Housing Within Reach CIP Programs	# Applications
Additional Dwelling Unit Program	1
Attainable Housing Feasibility Grant Program	1
Development Charges Grant Program	1
Tax Increment Equivalent Program	0
Downtown Apartment Rehabilitation or Conversion Program	0
Surplus Land Grant Program	0

Townwide Revitalization CIP	# Applications
Building Improvement and Renovation Program	21
Building Facade & Signage Grant Program	18
Property Enhancement & Improvement Program	12
Energy Efficiency Improvement Program	5
Destination Infrastructure Program	5
Municipal Fees Grant or Loan Equivalent Program	5
Vacant Building Conversion or Expansion Program	2
Study and Design Grant Program	0
Tax Increment Equivalent Program	0
Brownfield Tax Assistance Program	0

In general, the Town has seen an uneven uptake in CIP programs over recent years. The *Town Wide Revitalization CIP* has seen stronger participation than the *Housing Within Reach CIP*. Of the 70 applications submitted to the Town between 2023 and 2025, 67 (95.7%) were submitted for the *Town Wide Revitalization CIP*, while only 3 (4.3%) were associated with the *Housing Within Reach CIP*. And, two of the three applications for the *Housing Within Reach CIP* were related to the same project.

Although the *Town Wide Revitalization CIP* has seen stronger uptake, the following three incentive programs did not see uptake between 2023-2025:

- Study and Design Grant Program
- Tax Increment Equivalent Program
- Brownfield Tax Assistance Program

The following three *Housing Within Reach CIP* programs did not receive a single application between 2023 and 2025:

- Tax Increment Equivalent Program;
- Downtown Apartment Rehabilitation or Conversion Program; and
- Surplus Land Grant Program.

There is an evident need to recalibrate the *Housing Within Reach CIP* to better reflect current market conditions and the financial realities of developing attainable housing. The rationale for limited CIP program uptake will be further explored through the process to update the Town's CIP.

5.3 Program Administration

The following sections outline how each CIP is structured, implemented, and overseen. While both documents share a common procedural foundation, their administrative requirements diverge in ways that reflect the distinct objectives and policy focus of each CIP. Notably, both programs have deadlines for submission of application that have identified by applicants as a constraint to application submission. The new CIP will consider the use of a rolling intake for applications.

5.3.1 Housing Within Reach CIP

The *Housing Within Reach CIP* is administered through a framework designed to ensure that financial incentives directly support the creation and long-term retention of attainable housing. Council establishes an annual budget for the program, and incentives are only available when funding is allocated. Applicants must submit a complete application package that includes required studies, drawings, cost estimates, and full disclosure of all funding sources. By default, Council is the approval authority for financial applications. Council is able to delegate this authority to a committee of its choosing by resolution in

consideration of a recommendation by staff. Inspections can be required to verify that works have been completed with approved plans, prior to release of funds. Unique to this CIP, staff must also confirm that proposed units meet the Town's definition of attainable housing, comply with minimum attainability periods, and are not used for short-term accommodation.

Monitoring involves tracking the uptake, performance, and financial impact of each incentive program, including the number of applications received, approved, and completed, as well as the total value of grants or loans issued. Staff are responsible for evaluating whether funded projects comply with eligibility requirements, maintain attainability commitments, and achieve the intended housing outcomes. The Town also reviews the CIP's overall effectiveness over time, identifying trends, challenges, and opportunities for refinement. This ongoing evaluation supports evidence-based adjustments to program design, funding levels, and administrative processes to ensure the CIP continues to meet community needs and deliver meaningful results.

5.3.2 Town Wide Revitalization CIP

The administration of the *Town Wide Revitalization CIP* follows a similar procedural structure to the *Housing Within Reach CIP*, including annual budgeting by Council, a formal application and approval process, requirements for complete submissions, and inspections to verify that completed works align with approved plans. However, administration under the *Town Wide Revitalization CIP* is generally more streamlined, as it does not require long-term monitoring of unit attainability, restrictions on short-term accommodation, or verification of affordability criteria. Monitoring is therefore less intensive for Town staff. Administration of the CIP focuses on ensuring that funded improvements contribute to façade enhancement, accessibility, property revitalization, and economic vibrancy.

Monitoring focuses on tracking program uptake, the number and type of applications received, the value of incentives issued, and the extent to which completed projects contribute to façade improvements, accessibility upgrades, property enhancements, and economic vitality. Staff review each approved project to confirm that works are completed in accordance with the approved application and meet all eligibility and design requirements.

5.3.3 Funding Summary

Various incentives are provided across both CIPs. The following section briefly summarizes the funding amounts provided. Both CIPs require minimum grant programs at \$1,000 and loans of \$2,500.

HOUSING WITHIN REACH CIP

Program	Funding
Attainable Housing Feasibility Grant	100% of eligible costs, up to \$20,000 per property.
Development Charges Grant Equivalent	100% of Town and County development charges for eligible attainable units to a maximum of \$250,000.
Tax Increment Equivalent Grant (TIEG)	50% of the tax increase up to \$25,000 per year for grants, or \$50,000 per year for loans.
Municipal Fees Grant or Loan Equivalent	100% of eligible planning application fees and building permit fees associated with attainable housing projects to a maximum of \$10,000 for grants, or \$20,000 for loans.
Downtown Apartment Rehabilitation or Conversion Program	50% of eligible renovation or conversion costs up \$15,000 for grants, or \$30,000 for loans.
Additional Residential Unit Program	50% of costs up to \$15,000 for grants, or \$30,000 for loans.
Surplus Land Grant Program	Allows municipally owned land to be offered at a significantly reduced cost or no cost, subject to an RFP process.
Landbanking Policy	Grants or loans not applicable

TOWN WIDE REVITALIZATION CIP

Program	Funding
Study & Design Grant Program	50% of eligible costs, up to \$20,000
Building Façade & Signage Program	50% of eligible costs to a maximum of \$20,000 for grants or \$40,000 for loans
Building Improvement & Renovation Program	50% of costs up to \$10,000 for grants or \$40,000 for loans. Heritage properties: up to \$15,000 for grants or \$60,000 for loans
Tax Increment Equivalent Program	Up to 50% of eligible costs \$25,000/year for grants, \$50,000/year for loans
Brownfield Tax Assistance Program	Tax relief only.
Municipal Fees Grant Equivalent Program	100% of fees or \$50,000 whichever is less
Property Enhancement & Improvement Program	50% of costs up to \$15,000 for grants, \$45,000 for loans

Energy Efficiency Improvement Program	50% of costs up to \$5,000 for grants, \$15,000–\$20,000 for loans
Vacant Building Conversion or Expansion Programs	50% of costs up to \$15,000 for grants, \$30,000 for loans
Destination Infrastructure Program	50% of costs up to \$15,000 for grants

Together, the two CIPs provide a comprehensive funding spectrum, ranging from \$1,000 to \$250,000 financial grants to accommodate projects ranging from small-scale improvements to significant redevelopment and attainable housing initiatives.

6.0 Opportunities for the New CIP

6.1 Affirming Community Priorities

6.1.1 Alignment with Strategic Priorities

As outlined in Section 4 of this report, the Town of the Blue Mountains has made strides to sustain and bolster its commitment to the creation of increased and varied options for affordable housing in the community, including rental housing. It has also committed to support business growth in all areas of the community, including the downtown area and an innovative agricultural sector.

Most recently, the Town’s 2026 Corporate Strategic Plan has committed to strengthening the Town’s CIPs and land use planning tools to better support affordable housing development. The Strategic Plan commits to supporting commercial and industrial development in the Town as well as agritourism, agri-food innovation, and other business diversification.

The new CIP will consider innovative programs to support the Town in meeting its strategic objectives and initiatives.

6.1.2 Community Engagement

Community engagement is critical to informing the development of CIP programs that are relevant to the needs of the community and local industries and will ensure strong program update. Preparation of the new CIP will include engagement with the local community including local business owners, builders, non-profits, those in realty and the housing industry, to understand local economic needs and conditions. The preparation of this CIP will also include engagement with Grey County to understand County plans for the potential preparation of an upper-tier CIP. A County-level CIP could enable the stacking of funding to provide more funding for large projects.

6.2 Considering Current Community Needs, Trends, and Conditions

In support of the preparation of the new CIP, and to facilitate an understanding of current trends, needs and conditions in the Town, two (2) technical papers were prepared. Tim Welch Consulting Inc. prepared a *Housing Need and Trends Technical Paper* and Parcel Economics prepared an *Economic Trends & Technical Barriers Technical Paper*. The findings of these papers will inform the new CIP. Key takeaways from these papers are outlined below. The full papers are attached as Appendix A and B.

6.2.1 Housing Need and Trends Technical Paper

The Technical Paper reviewed the uptake of existing incentive programs for the Town and provided a high-level comparison of other affordable housing CIPs in other municipalities in the County and beyond. This technical paper determined that:

- The Town's current *Housing Within Reach CIP* is well structured, but there has been limited uptake. Program utilization has leaned heavily towards economic revitalization initiatives, with limited utilization of the housing-focused tools.
- The Town's *Housing Within Reach CIP* provides incentive levels that are comparable to other municipalities in the region.
- Several challenges were identified in relation to the utilization of the programs available under the *Housing Within Reach CIP*. These included:
 - Fewer developers/builders operating in the Town. Existing developers often function under financial models that have been established over time, and current market conditions have a greater impact on the feasibility of taking on new projects at specific times. Attracting new developers requires specific incentives that benefit both the developer and the community at large.
 - The current CIP provides greater loan amounts in comparison to grants. Grants are seen as a more favourable incentive as they decrease project risk and can incentivize a builder to proceed with the project rather than delaying in hopes of obtaining further funding.
 - Funding offered through incentives is often minimal in relation to the total project cost. Ultimately the incentive size drives the financial viability of a project, which is analyzed in the pre-development phases. Lack of uptake could be attributed to under-funded incentives.
 - Administrative constraints related to on-going project affordability updates can be seen as burdensome for potential developers, which can affect program uptake.

- The scope of the current CIP is limited and excludes key areas like the Blue Mountain Village. Expanding the geographic scope of the CIP can allow for affordable/attainable housing to be developed across a range of zones that are not currently part of the CIP area.

6.2.2 Economic Trends & Technical Barriers Technical Paper

This *Economic Trends & Technical Barriers Technical Paper* assessed existing economic trends and technical barriers for businesses in the Town, as well as how the employment landscape is anticipated to be changed based on macroeconomic conditions and employment forecasts in the Town. The Paper provided the following key observations:

- **Geographic and Demographic Considerations**
 - The Town is projected to experience the fastest growth in Grey County, but is anticipated to remain a secondary economic/commercial hub due to its proximity to larger centres like Collingwood and Owen Sound.
 - Updates to the CIP should explore opportunities to support the sectors of tourism, agriculture, construction/development, professional services, retail trade, and manufacturing.
- **Macroeconomic Conditions**
 - Issues such as high construction costs and interest rates create challenges for new development. CIP programs that aim to reduce planning and building fees may help to incentivize developers.
- **Commercial Inventory & Vacancy**
 - The Town's current commercial inventory is undersized based on the current population. This coupled with the low vacancy rate of 3% could be an early indicator of unmet demand in the municipality.
 - The projected population growth into 2046 is estimated to create the need for a further 221,000 SF to 359,000 SF of additional commercial space.
 - This creates an opportunity to create CIP programs directly related to encouraging additional commercial space.
- **Competitive Positioning**
 - The Town currently has some of the lowest tax rates in comparison to neighbouring municipalities, although development charges are on the higher end. This may be a key issue to development.
 - Current CIP programs do not include any development charge reduction incentives. The CIP update should consider including a specific development charge reduction program as part of the existing Municipal Fees Grant Equivalent Program.
- **CIP Uptake**

- The focus of CIP applications to date has been on the beautification and improvement of existing non-residential buildings/properties, rather than on development of new non-residential development.
- There has been little uptake by the agricultural/agri-tourism community, although investment in these sectors is explicitly prioritized in the current CIP. This is mainly because certain CIP programs do not apply to the agricultural/rural lands in the Town. The new CIP should broaden program eligibility and update its objectives to better support investment in these areas.

6.3 Jurisdictional Scan of Comparative CIPs

A best practices review of existing CIPs focusing on providing affordable/attainable housing in municipalities comparable to the Town in terms of proximity and size was conducted within Housing Needs and Trends Technical Paper prepared by TWC.

To summarize, the findings of the Housing Needs and Trends Technical Paper highlight that the Town of The Blue Mountains’ current affordable/attainable housing CIP policies are robust and provide a comparable amount of funding to other municipalities. A key finding of TWC’s research identified the possible need to regulate short-term rentals outside of the CIP process to maintain full-time housing stock for permanent residents of the Town.

The Economic Trends and Barriers Technical Paper, prepared by Parcel provides an analysis of current economic trends in relation to the Town. A high-level scan of existing economic development/revitalization CIPs in comparable municipalities is included in the table below.

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
Municipality of Meaford Building and Lands Improvement Grant or Loan Program (2022)	Entire municipal boundary	Aims to encourage the restoration, repair, and/or improvement of buildings and lands for commercial, institutional, industrial, agricultural, and agriculturally related on-farm diversified or value-added uses. Other focus areas of the plan include improvements to commercial and mixed-use heritage buildings in the Downtown Heritage District; accessibility improvements to buildings accessed by the public; and investment in rural and agricultural properties to provide farms with more means of income producing capacity to improve local economic stability. Eligible projects and costs include but are not limited to the following:

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
		<ul style="list-style-type: none"> • Facade beautification/restoration; • Entrance modification to improve accessibility; • Redesign/restoration of storefronts; • Signage upgrades; • Installation/replacement of agricultural fencing <p>Financial incentives include:</p> <ul style="list-style-type: none"> • Grants <ul style="list-style-type: none"> ○ Covers 50% of eligible project costs to a maximum of \$7,500 per property/project ○ Subsequent grants can be issued for the same property, after a period of 5 years from the last approved funding. • Loans <ul style="list-style-type: none"> ○ An interest free loan with a 10-year amortization period covering up to 100% of project costs to a maximum of \$50,000 ○ A minimum loan amount of \$10,000 is applicable
<p>Township of Chatsworth CIP (2023)</p>	<p>Entire municipal boundary</p>	<p>To encourage property owners to rehabilitate, repair, or improve their buildings facades, as well as provide pedestrian oriented signage.</p> <p>The eligible projects/costs associated with the Township’s Facade, Building and Signage Improvement Grant include but are not limited to:</p> <ul style="list-style-type: none"> • Repair, replacement or restoration of facade masonry, architectural detailing, etc. • Painting/cleaning of facades; • Installation of public art such as murals or similar wall art; <p>The maximum grant amount for a facade or building improvement is \$5,000 or 50% of the project cost, whichever is less.</p> <p>Other financial incentives include:</p>

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
		<ul style="list-style-type: none"> - 100% of eligible costs, up to a maximum of \$1,500 for the inclusion of public art works; - A maximum \$2,500 signage improvement grant; - The maximum grant for architectural services associated with facade improvements shall not exceed 15% of eligible construction costs. <p>It is important to note that Township’s Facade, Building and Signage Improvement Grant can be combined with other grant programs, except for the Tax Increment Financing program.</p>
<p>Municipality of Grey Highlands CIP (2024)</p>	<p>Entire municipal boundary</p>	<p>The Municipality of Grey Highlands currently has several CIP incentives for economic revitalization that are aimed at the beautification of downtown core areas as well as the improvement of the entire Municipality. The financial incentives that are available are:</p> <ul style="list-style-type: none"> • Portable Accessibility Ramp Reimbursement Program; • Heritage Property Tax Rebate; • Facade and Signage Improvement Micro-Grants <p>The amounts of the financial incentive programs are below:</p> <ul style="list-style-type: none"> • Portable Accessibility Ramp <ul style="list-style-type: none"> ▪ Reimbursement Program Reimbursement of up to a maximum of \$250 towards the purchase of a portable accessibility ramp; it may cover up to 100% of the cost of the ramp (excluding HST). • Heritage Property Tax Rebate <ul style="list-style-type: none"> ○ A Heritage Property Tax Rebate of 20% of the municipal portion of property taxes to owners of heritage properties designate under Part IV of the Ontario Heritage Act.

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
		<ul style="list-style-type: none"> • Facade and Signage Improvement Micro-Grants <ul style="list-style-type: none"> ○ Up to a maximum of \$1,000 (or 50% of eligible project costs for facade improvements. ○ Up to a maximum of \$500 (or 50% of eligible project costs) for signage improvement.
<p>Municipality of West Grey CIP (2021)</p>	<p>Entire municipal boundary</p>	<p>The CIP provides a range of financial incentives to property owners throughout the Municipality that are aimed at the beautification of the Municipality. The main goal of the CIP is to promote the revitalization of the streetscapes and building facades throughout West Grey.</p> <p>The CIP establishes financial incentives, including the following:</p> <ul style="list-style-type: none"> • Facade, Building & Signage Improvement Grant: <ul style="list-style-type: none"> ○ \$5,000 or 50% of the eligible project costs, whichever is less; ○ Maximum amount for the signage improvement grant is \$2,500 or 50% of eligible project costs; • Accessibility Improvement Grant <ul style="list-style-type: none"> ○ The maximum amount of the grant is \$5,000 or 50% of eligible project costs ○ Grant may be combined with other grant programs • Planning & Building Permit Fee Grant <ul style="list-style-type: none"> ○ a maximum of \$2,500 to cover the cost of Minor Variance, Zoning By-law Amendment, or Site Plan Applications, as well as building permit or demolition permit fees. <ul style="list-style-type: none"> ▪ Grant may equal 100% of the municipal fees, if it does not exceed \$2,500. • Secondary Suite Development Grant. Provides a grant to a maximum of \$5,000 to cover the development charges or building costs associated with the development of secondary suites.

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
		<ul style="list-style-type: none"> ○ Grant is paid after the words are completed, to the satisfaction of the CIP administrator. ● Surplus Land & Building Grant. Lands and buildings that are deemed to be surplus to the needs of the local municipality will be offered through a Request for Proposal (RFP) process. The municipality will identify lands and buildings that are surplus and determine the best use for these, with priority given to affordable housing developments

The funding landscape across Meaford, Chatsworth, Grey Highlands, and West Grey identifies that most municipalities offer midrange grants (\$2,500–\$7,500) for façade, signage, accessibility, and building improvements, and larger loan programs for substantial capital work. Meaford stands out with the most robust funding with grants up to \$7,500 and interest free loans up to \$50,000, while Grey Highlands sits at the lower end with microgrants of \$250–\$1,000. It is noted that the funding currently offered by the Town of The Blue Mountains CIPs does not fall behind the regional standard when comparing best practices, but there is room to strengthen upper-end incentives and offer micro-grants for smaller, yet notable improvements.

The Town has committed to support agricultural innovation, so an area of focus for the new CIP could be expanding CIP programs to support the agricultural sector. A high-level scan of existing agri-tourism/agri-business incentive programs in comparable municipalities is included in the table below.

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
<p>Bruce County Agri-Food Innovation Grant</p>	<p>The specified Community Improvement Project Area</p>	<p>The grant aims to support the vast array of agricultural businesses in eligible areas in the County by supporting infrastructure related to innovation. To be eligible for the CIP the agricultural property must be located within the Community Improvement Project Area. The Town of Blue Mountains is currently excluded from the County’s CIP area.</p> <p>Eligibility Criteria:</p>

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
		<ul style="list-style-type: none"> • The applicant must be the property owner or tenant; • The agricultural property must be located in the CIP area; • Project must comply with all Municipal, Provincial and local food and safety regulations; • No project work including purchase of any materials must have started until the application has been approved; • The grant cannot be combined with any other Spruce the Bruce Community Development Program grants; • Properties with previously issued grants are ineligible unless the grant was provided more than five years ago, there was a change in ownership, or the application is for different physical elements of the property. <p>The maximum grant amount is 50% of the total project cost (excluding taxes) up to \$5,000.</p> <p>The eligible projects include, but are not limited to:</p> <ul style="list-style-type: none"> • Agri-tourism experiences (e.g., addition of a corn maze) • Direct consumer sales (e.g., pick-your-own, roadside stands) • Organic farming • Small-scale Food and Beverage Processing
<p>Norfolk County Agriculture and On-Farm Diversified Uses Grant</p>	<p>Properties located in the Agricultural area</p>	<p>To encourage rural property owners to beautify and enhance existing buildings for new value-added agricultural activities and rural commercial opportunities. The program is only available to properties located in the agricultural area.</p>

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
		<p>Eligibility Criteria:</p> <ul style="list-style-type: none"> • The applicant must be the property owner, tenants are not eligible; • The grant will only be available for costs incurred after the approval of the application; • The grant is available strictly for non-residential buildings or structures in the agricultural area (i.e. home improvements in agricultural areas are ineligible). <p>Eligible projects include, but are not limited to:</p> <ul style="list-style-type: none"> • Façade improvements; • on-farm housing for farm workers directly related to farm operation on the subject lands; • renovations or additions to barns/storage buildings, agricultural/food processing facilities, and greenhouses; • agri-tourism, including pick-your-own, farm markets, etc. • Costs of professional services for architectural, planning, engineering and site plans or drawings. <p>The grant becomes payable upon the final completion of the associated works, submission of paid invoices, and final inspection by the County.</p>
<p>Municipality of Huron East Agri-Business Innovation Grant</p>	<p>Properties zoned for Agricultural purposes</p>	<p>This program aims to support agricultural operators in the Municipality of Huron East. The grant provides funding for new infrastructure that enhances agri-tourism, specialty production, and sales/processing.</p> <p>Eligibility Criteria:</p>

Municipal CIP	CIP Boundaries	Goals, Objectives, and Value
		<ul style="list-style-type: none"> • The applicant must be the owner or tenant of an eligible property; • A pre-consultation with the CIP administrator must be held prior to applying; • Projects should not commence prior to the issuance of the grant. • The project must be completed by the end of the year in which the funding has been granted. Extensions are possible. • Applicants are required to provide a minimum of 50% cash contribution towards the total cost of the project. <p>The eligible project costs include, but are not limited to:</p> <ul style="list-style-type: none"> • Agri-tourism experiences (e.g., corn maze, on-farm workshop, etc.); • Direct consumer sales (pick-your-own, roadside stands); • Organic or small-scale farming; • Small-scale Food and Beverage Processing (e.g., making cheese from milk produced on-site); • Specialty crops farming; • Bioproduct farming <p>Generally speaking any form of new building construction and maintenance is not covered under the program.</p>

7.0 Key Considerations for New CIP

7.1 Community Improvement Project Area

The new CIP will consider where and how to expand eligibility requirements to additional areas of the Town, such as rural/agricultural areas and Blue Mountain Village, subject to the proposed community improvement criteria in the draft Official Plan.

7.2 CIP Objectives

The purpose of objectives in a CIP is to ensure that funding is directed to support priority matters for the Town. Secondary objectives may be created for specific geographical areas where there are more specific needs, priorities, or aspirations.

The goals and objectives of the existing CIPs are broad in nature and can be applied to the new CIP although the objectives should be refined to include support for both affordable and attainable housing in the Town. In addition, the Town could consider an objective to increase rental housing for the local workforce. Another objective should aim to address housing needs in the Town for the long-term.

7.3 CIP Programs

The Town offers comparable program types to other communities. However, The Town of The Blue Mountains has unique workforce needs that could be better supported through increased support for rental housing opportunities.

The Town has some of the lowest tax rates in comparison to neighbouring municipalities, however development charges are on the higher end. The CIP update should consider including a specific development charge reduction program as part of the existing Municipal Fees Grant Equivalent Program.

Programs geared to agricultural/agri-tourism community are limited. The new CIP should broaden program eligibility to better support investment in these areas. New and innovative programs to support this sector should be included in the new CIP.

The funding amounts currently offered by the Town of The Blue Mountains CIPs does not fall behind the regional standard when comparing best practices, but there is room to strengthen upper-end incentives.

7.4 Combining Incentives

The existing 2021 CIPs enable the combining or stacking of incentive programs across and within the CIPs, subject to certain exceptions. Allowing incentives to be combined is one method to ensure that projects can become financially feasible, for example, combined incentives can make the difference between a not-for-profit housing

development that is financially viable and one that is not. The new CIP will consider which programs may be combined.

In addition, consideration will be given to the potential for combined funding with any future Grey County CIP.

7.5 Administration

Across all reviewed CIPs, effective administration relies on a clear, structured process that ensures transparency, consistency, and alignment with municipal planning objectives.

The new CIP will include a defined monitoring and reporting framework with frequent data collection, tracking program uptake, financial performance, and outcomes to support evidence-based adjustments. Reporting will be provided through a year-end “report card” prepared by staff to Council that reports on key program information and accomplishments.

Further, defining internal roles, approval authorities, and timelines will support efficient administration and ensure the CIP remains accessible, predictable, and aligned with broader municipal objectives. Applications will be reviewed and simplified to speed up submission timelines. Staff will be delegated authority for certain approvals to streamline approval processes.

Application submission will be permitted on a rolling basis. Criteria to determine high-priority project types will be outlined to assist decision making in the event multiple applications are competing for funding.

8.0 Conclusion

This Background Report and Issues Memorandum is a foundation document in the preparation of a new CIP for the Town of The Blue Mountains. This Background Report outlines the basis for updating the Town's CIP and programs. It establishes the legislative and policy basis for preparing CIPs and recent legislative changes, and outlines planning and policy directions from recent County and Town studies and Plans to inform the new CIP. This Background Report also begins to assess the successes and challenges of the Town's current CIPs to understand where the new CIP can be improved to ensure stronger uptake of financial incentives.

The updated CIP will provide an opportunity to align municipal tools with County and Provincial objectives, broaden eligibility to better support rural and agricultural areas, and introduce targeted programs that encourage attainable housing, economic resilience, and community revitalization. Together with forthcoming community engagement, the findings of this report will form the foundation for a renewed CIP that is practical, equitable, and aligned with the Town's long-term vision.

Appendices

APPENDIX A – DRAFT OFFICIAL PLAN POLICIES



Parcel

Appendix A – Draft Official Plan Policies

E3.5 COMMUNITY IMPROVEMENT

E3.5.1 Purpose

- a) Community Improvement within the Town is intended to provide for the maintenance, rehabilitation, redevelopment and revitalization of the existing built environment to improve the safety and quality of buildings, structures and facilities, maximize the efficient use of existing services and facilities, create attractive and safe pedestrian-oriented streetscapes and public spaces, and improve infrastructure where deficiencies or deteriorating conditions exist.
- b) The Community Improvement provisions of the Planning Act allow municipalities to prepare community improvement plans for designated community improvement project areas that require community improvement as the result of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason. Once a community improvement plan has been adopted by a municipality and has come into effect, the municipality may offer grants and loans in conformity with the community improvement plan, to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the eligible costs of the community improvement plan. The municipality may also undertake a wide range of actions for the purpose of carrying out the community improvement plan.

E3.5.2 Goals

- a) The goals of community improvement are to:
- b) To preserve, rehabilitate and redevelop the existing built environment.
- c) To maximize the use of existing public infrastructure, facilities and amenities.
- d) To coordinate private and public community improvement activities.
- e) To promote development and redevelopment that is sustainable in nature.
- f) To guide the Town in setting priorities for municipal expenditure respecting community improvement projects.
- g) To participate, wherever possible, in Federal and/or Provincial programs to facilitate community improvement.
- h) To reconcile existing land use conflicts and minimize future land use conflicts.
- i) To provide new affordable housing.

E3.5.3 Objectives

Community Improvement Plans may be prepared and adopted by the Town to:

- a) Encourage the renovation, repair, rehabilitation, redevelopment or other improvement of lands and/or buildings, including environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes, or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities;
- b) Encourage the preservation, restoration, adaptive reuse and improvement of historical or architecturally significant buildings;
- c) Encourage the restoration, maintenance, improvement and protection of natural habitat, parks, open space, recreational and heritage facilities and amenities, and to establish new facilities where deficiencies exist to meet the needs of the citizens of the community;
- d) Encourage residential and other types of infill and intensification on lands which are already serviced with municipal services;
- e) Encourage the provision of affordable housing through new development proposals and conversion of existing developments.
- f) Improve and maintain the transportation network to ensure an adequate traffic flow, pedestrian circulation and parking facilities;
- g) Maintain and improve municipal services including the water distribution system, the sanitary and storm sewer systems, roads, sidewalks, street lighting, and to provide a safe health standard for the citizens of the community;
- h) Improve and maintain the physical and aesthetic amenities of the streetscape, especially in the commercial core areas of Thornbury, Clarksburg and Craigleith;
- i) Encourage the eventual elimination and/or relocation of incompatible land uses, and where this is not feasible, to encourage physical improvements to minimize the incompatibility;
- j) Encourage, support and co-ordinate both public and private investment opportunities in the rehabilitation and improvement of property and facilities which will result in stability in the community;
- k) Establish an atmosphere through revitalization and improvements within the commercial core areas of Thornbury, Clarksburg and Craigleith that will encourage existing business and property owners to make improvements to their facilities and new business to locate in these areas;
- l) Encourage improvement activities which contribute to a strong economic base including commercial, industrial, recreational and tourism activity and job creation;

- m) Improve environmental conditions;
- n) Improve social conditions;
- o) Promote cultural and tourism development;
- p) Facilitate and promote community economic development; and,
- q) Improve community quality, safety and stability.

E3.5.4 Criteria for Selection of Community Improvement Project Areas

- a) The Town may designate by by-law one or more Community Improvement Project Area(s), the boundary of which may be part or all of the municipality.
- b) For an area to be identified as a Community Improvement Project Area, one or more of the following conditions must be present:
 - i. Buildings, building facades, and/or property, are in need of maintenance preservation, restoration, repair, rehabilitation, energy efficiency or renewable energy improvements, or redevelopment;
 - ii. Deficiencies in physical infrastructure including but not limited to the sanitary sewer system, storm sewer system, and/or watermain system, roadways, sidewalks, curbs, streetscapes and/or street lighting, and municipal parking facilities;
 - iii. Vacant lots and/or underutilized properties and buildings which have potential for infill, redevelopment or expansion to better utilize the land base; Commercial areas with high vacancy rates and/or poor overall visual quality of the built environment, including but not limited to, building facades, streetscapes, public amenity areas and community design;
 - iv. Presence of buildings and/or lands of architectural or heritage significance;
 - v. Known or suspected environmental contamination;
 - vi. Deterioration or deficiencies in the level of community and social services such as public open space, municipal parks, neighbourhood parks, indoor/outdoor recreational facilities, and public social facilities;
 - vii. Non-conforming, conflicting, encroaching or incompatible land uses or activities that threaten to disrupt the predominant land use and lifestyle of the citizens of the area;
 - viii. Demonstrated deficiency in the condition or provision of accessible parking;
 - ix. Demonstrated problem or deficiency associated with the circulation and/or access of traffic;
 - x. A shortage of land to accommodate widening of existing rights-of-way, building expansion, parking and/or loading facilities;
 - xi. Other significant barriers to the repair, rehabilitation or redevelopment of underutilized land and/or buildings; and,

- xii. Other significant environmental, social or community economic development reasons for community improvement.
- c) Priority for the designation of Community Improvement Project Areas and the preparation and adoption of Community Improvement Plans shall be given to:
 - i) The Thornbury, Clarksburg and Craigleith commercial core areas;
 - ii) Existing built up areas;
 - iii) Those areas where the greatest number of criteria for selection of Community Improvement Project Areas are present;
 - iv) Those areas where one or more of the criteria for selection of Community Improvement Project Areas is particularly acute; and/or,
 - v) Those areas where one or more of the criteria for selection of Community Improvement Project Areas exists across the entire municipality or a large part of the municipality.
- d) Community improvement plans will be prepared and public comment sought in accordance with the provisions of the Planning Act.

E3.5.5 Phasing

The phasing of community improvements shall be prioritized to:

- a) Permit a logical sequence of improvements to occur without unnecessary hardship on area residents and the business community;
- b) Implement those improvements that will most substantially improve the aesthetic, environmental and service qualities of a community improvement project area;
- c) Reflect the financial capability of the Town to fund community improvement projects;
- d) Take advantage of available senior government programs that offer financial assistance for community improvement efforts; and,
- e) Coordinate the timing of related capital expenditures from various municipal departments with departmental priorities.

E3.5.6 Implementation

- a) In order to implement a Community Improvement Plan in effect within a designated Community Improvement Project Area, the Town may undertake a range of actions, including:
 - i) Municipal acquisition of land and/or buildings, and the subsequent;
 - ii) Clearance, grading, or environmental remediation of these properties;
 - iii) Repair, rehabilitation, construction or improvement of these properties;
 - iv) Sale, lease, or other disposition of these properties to any person or governmental authority; and,
 - v) Other preparation of land or buildings for community improvement.

- b) Provision of public funds such as grants and loans to owners of land and their assignees;
- c) Programs and measures to promote energy efficient development, redevelopment and retrofit projects;
- d) Application for financial assistance from and participation in senior level government programs that provide assistance to municipalities and/or private landowners for the purposes of community improvement;
- e) Coordination of public and private redevelopment and rehabilitation by providing administrative and liaison assistance;
- f) Support of heritage conservation and improvement through means available under the Ontario Heritage Act;
- g) Provision of information on municipal initiatives, financial assistance programs, and other government assistance programs;
- h) Continued support of existing Business Improvement Areas, and the encouragement of the establishment of new Business Improvement Areas and the expansion of existing Business Improvement Areas in an effort to maintain strong and vital commercial areas;
- i) Continued enforcement of the Town's Zoning By-law, Property Standards By-law and Sign By-law, and other related municipal by laws and policies;
- j) Preparation of Design Plans for commercial core areas that include streetscape improvements, parkettes, public parking areas, lookouts and trail development; and,
- k) Coordinate streetscaping improvements with the installation/upgrading of municipal services, e.g., sewer installation, road and sidewalk reconstruction.
- l) Council shall be satisfied that its participation in community improvement activities will be within the financial capabilities of the Town.