



West Lincoln  
Your Future Naturally

# The Township of West Lincoln

## *Affordable Housing Community Improvement Plan*

Background Study Report  
December 2025

## Table of Contents

---

<i>Introduction</i> .....	1	West Lincoln Strategic Plan, 2023–2026..	11
What does “affordable housing” mean for the Township of West Lincoln? .....	1	Economic Development Strategy Refresh, 2020 .....	12
Defining a Community Improvement Plan (CIP) .....	2	<i>Community Improvement Project Area</i> .....	13
<i>Legislative Context</i> .....	3	<i>CIP Best Practices</i> .....	14
Planning Act, R.S.O. 1990 c. P.13 .....	4	Municipality of North Perth – Attainable Housing CIP (2024) .....	14
Section 28 Community Improvement Project Area .....	4	Town of the Blue Mountains – Housing Within Reach (2021) .....	17
Section 69 Tariff of Fees.....	5	Town of Fort Erie – Affordable Housing CIP (2025).....	20
Development Charges Act, 1997, S.O. 1997, c.27 .....	5	Other Programs .....	21
<i>Policy Context</i> .....	6	<i>What We Heard – Online Survey Results</i> ....	23
Provincial Planning Statement, 2024 (PPS) .....	6	<i>Recommended Options for the Affordable         Housing CIP</i> .....	27
Niagara Region Official Plan, 2022 (NOP) ..	6	Potential Vision, Goals, and Objectives....	27
Community Improvement Policies .....	7	Options for Affordable Housing Incentives for West Lincoln .....	28
Housing Policies .....	8	Financial Incentives .....	29
Township of West Lincoln Official Plan, 2021 .....	8	Non-Financial Incentives .....	30
Community Improvement Policies .....	9	Implementation Options .....	31
Housing Policies .....	9	<i>Next Steps</i> .....	33
Township of West Lincoln Zoning By-law 2017-70 .....	11		

## Introduction

---

The Township of West Lincoln is preparing an Affordable Housing Community Improvement Plan (CIP) to establish a framework of financial and non-financial tools that will encourage the creation of affordable and attainable housing across the municipality. The Plan responds to Council's strategic priorities of promoting diverse housing options, supporting community well-being, and planning for sustainable and inclusive growth. Like many municipalities, West Lincoln is facing an increasing gap between local household incomes and housing costs, limited rental availability, and barriers to developing a diverse range of housing forms. The West Lincoln Affordable Housing CIP will provide a toolbox of options, enabling the Township to advance a coordinated, locally tailored approach to address these challenges.

Under the *Municipal Act*, the Township does not have legal authority to require private developers to build affordable housing, and current market conditions make such development financially challenging. Furthermore, through a prohibition on bonusing under the *Municipal Act*, municipalities are prohibited from waiving application fees for certain types of development, including affordable housing, unless Council has adopted a Community Improvement Plan set out under Part IV, Community Improvement of the *Planning Act*. This background report forms the foundation for the creation of the West Lincoln Affordable Housing Community Improvement Plan, outlining the legislative and policy context and best practices, as well as identifying options for the creation of the Community Improvement Plan itself.

### What does “affordable housing” mean for the Township of West Lincoln?

There are many ways to define “affordable housing,” depending on whether the focus is on market conditions, household income, or local housing needs. During initial engagement on the project, there was significant focus on how West Lincoln residents and stakeholders define affordability within the community. The responses indicate a need for a common, agreed-upon understanding of affordability. Recent direction from

the Provincial government has underscored a need to align Official Plan definitions with the Provincial Planning Statement, 2024 definition of Affordable Housing for clarity and consistency.

Under this definition, “affordable housing” means:

- 1. In the case of ownership housing, the least expensive of:*
  - a. Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or*
  - b. Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the municipality;*
- 2. In the case of rental housing, the least expensive of:*
  - a. A unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or*
  - b. A unit for which the rent is at or below the average market rent of a unit in the municipality.*

In practical terms, this means that affordable ownership housing is either at least 10% below the average resale price in West Lincoln or affordable to low- and moderate-income households based on their income levels. Similarly, affordable rental housing is housing where the rent is at or below the average market rent in the municipality or does not exceed 30% of a household's income.

## **Defining a Community Improvement Plan (CIP)**

A Community Improvement Plan (CIP) is a tool that helps municipalities like the Township of West Lincoln improve their communities. It allows the Township to offer grants, loans, or other forms of support to encourage projects that meet local goals, such as creating more affordable housing. The CIP gives the Township a structured way to partner with residents, developers, and community organizations to make it easier and more affordable to build the types of housing and amenities that meet the community's needs.

This Background Study Report represents the first phase of the Affordable Housing Community Improvement Plan process (see **Figure 1**) and establishes the foundation for the development of the Plan. It includes a review of relevant Provincial, Regional, and local policy frameworks, such as the Provincial Planning Statement, 2024, the Niagara Region Official Plan, and the Township of West Lincoln Official Plan and Zoning By-law. This study also outlines a jurisdictional scan of comparable affordable housing CIPs from municipalities across Ontario.

**Figure 1: Affordable Housing CIP Study Process**



The purpose of this Report is to establish the policy basis for an Affordable Housing CIP, create preliminary goals and directions for the Plan, and present a suite of potential financial and non-financial incentives for consideration. The findings will guide the next phase, which involves drafting program options and identifying the Community Improvement Project Area.

## Legislative Context

---

The following section explores the legislative framework that governs the use and implementation of Community Improvement Plans.



## **Planning Act, R.S.O. 1990 c. P.13**

The Township of West Lincoln legally cannot mandate private developers to build affordable housing, however the *Planning Act, R.S.O. 1990 c. P.13*, section 28 provides the authority for a Council to enact a Community Improvement Plan (CIP). An Affordable Housing CIP is a tool that encourages private landowners and developers to build affordable housing units by offering financial and non-financial incentives to overcome obstacles that may prevent the creation of these units.

### **Section 28 Community Improvement Project Area**

Section 28 of the *Planning Act* provides the framework for CIPs, such as Community Improvement Project Areas (CIPA), community improvement tools, and eligible costs.

The first step to enact a Community Improvement Plan under section 28 of the *Planning Act*, is to identify a Community Improvement Project Area. A Community Improvement Project Area, per Section 28(1), is an area that will benefit from community improvement, such as areas that are dilapidated, overcrowded, has unsuitable buildings, or for any other environmental, social, or community economic reason.

Once West Lincoln defines a Community Improvement Project Area, it may then prepare and use a “community improvement plan” to:

- Acquire, hold, clear, grade or otherwise prepare land (Section 28(3)(c));
- Construct, repair, rehabilitate or improve buildings on land acquired or held by the Municipality (Section 28(6)(a));
- Sell, lease or dispose of any land and buildings acquired or held by the Municipality (Section 28(6)(b)); and
- Make grants or loans to owners and tenants of land and buildings within the community improvement project area to pay for the whole or any part of ‘eligible costs’ related to community improvement (Section 28(7)).

“Eligible costs” are specified in Section 28 (7.1) of the *Planning Act*, and include costs related to: “*environmental site assessment, 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”.*

Importantly, Section 28 (7.3) states that the total of the grants and loans provided in respect of the lands and buildings shall not exceed the eligible cost of the community improvement project with respect to those lands and buildings.

## **Section 69 Tariff of Fees**

In addition to Section 28 of the *Planning Act*, Section 69 of the Act has an impact on housing affordability and the creation of an Affordable Housing Community Improvement Plan. Section 69(2) of the *Planning Act* permits a Council, planning board, or a committee of adjustment to reduce or waive the payment of a fee in respect to an application if the Council, planning board, or committee of adjustment is satisfied that it would be unreasonable to require payment. This establishes a basis to allow for financial flexibility regarding formal planning applications. West Lincoln, through the creation of the Affordable Housing Community Improvement Plan, can offer incentive programs that provide for municipal fee waivers to exempt certain types of development as a financial incentive.

## **Development Charges Act, 1997, S.O. 1997, c.27**

*The Development Charges Act*, section 5(1), provides the framework to develop a development charge By-law, which is used to determine development charges that may be imposed. This By-law can also be used to make full or partial exemptions for different types of development (section 5(1)(10)). *The Development Charges Act*, section 4.1, currently provides for development charge exemptions for the development of affordable and attainable residential units, non-profit housing, inclusionary zoning units, and long-term care homes.

Development charges form one piece of the puzzle through which the Township can offer incentives for housing development. Any incentives offered through an Affordable Housing Community Improvement Plan would be above and beyond the base exemptions that are provided under the *Development Charges Act* in accordance with the Provincial Planning Statement's definition of Affordable Housing outlined above.

For example, if the Township wished to incentivize market rate development towards a more attainable level of affordability, a CIP could be used to offer development charge exemptions for units that achieve affordability levels closer to average market rents.

## Policy Context

---

The following section provides an overview of Provincial, Regional, and local policies that will guide the creation of the Affordable Housing Community Improvement Plan in West Lincoln.

### Provincial Planning Statement, 2024 (PPS)

The PPS sets out Ontario's overall direction for land use planning, including the need for a full range and mix of housing options that are affordable to residents (section 2.2.1(b)). It encourages municipalities to use local planning tools to help remove barriers and support the development of affordable and attainable housing.

The vision the PPS sets out as it relates to housing affordability is as follows:

*More than anything, a prosperous Ontario will see the building of more homes for all Ontarians. This is why the province has set a goal of getting at least 1.5 million homes built by 2031. Ontario will increase the supply and mix of housing options, addressing the full range of housing affordability needs.*

One tool the Township has to accomplish this is the implementation of Community Improvement Plans that can remove financial and non-financial barriers to building affordable residential units.

### Niagara Region Official Plan, 2022 (NOP)

As of March 31, 2025, the Niagara Official Plan is no longer a Regional Plan, and responsibility for its management and implementation has been transferred to the Township of West Lincoln and other respective lower-tier municipalities. This change



has had the effect of removing Niagara Region's ability to establish CIPs or fund lower-tier municipal CIPs. To remedy this, on November 24, 2025, the province passed changes to the *Planning Act* through Bill 60 *Fighting Delays, Building Faster Act*, 2025. With these new changes, Niagara Region will regain the ability to participate in Community Improvement Planning. An excerpt from the legislation's explanatory text is as follows:

*Currently, subsection 28 (2) of the Act permits the council of a local municipality or of a prescribed upper-tier municipality to pass a by-law designating a community improvement project area, if there is an official plan in effect in the municipality that contains provisions relating to community improvement. An amendment provides that the subsection no longer applies to prescribed upper-tier municipalities.*

While the Niagara Region Official Plan, 2022 does not contain extensive Community Improvement Plan policies, this newly proposed legislation will enable Regional participation in West Lincoln's Affordable Housing Community Improvement Plan, should there be an opportunity to do so.

## **Community Improvement Policies**

An excerpt of the Niagara Region Official Plan policies as they relate to Community Improvement are outlined below:

- 7.5.1.1 For the purpose of promoting healthy communities, the Region may support community improvement through Regional programs enabled by plans, policies and by-laws it may establish, and by participation in eligible programs in Local Area Municipalities.*
- 7.5.1.2 The Region will regularly engage with Local municipal staff regarding administration and enhancement of programs designed to promote community improvement.*

Furthermore, while the Region's Official Plan (NOP) continues to inform local policy and align with Provincial objectives, it no longer acts as a binding planning instrument. The Township of West Lincoln now has greater autonomy to establish and implement its

own land use and housing strategies. Within this new context, the Region's Official Plan serves as an important reference document that supports municipal initiatives like the Affordable Housing Community Improvement Plan.

## **Housing Policies**

The NOP recognizes that access to a diverse and affordable range of housing options is essential to maintaining a high quality of life, supporting economic growth, and creating complete and inclusive communities.

Section 2.3 of the NOP sets out three main objectives as they relate to housing and implementation:

- 1. To provide a mix of housing options that address current and future needs;*
- 2. To increase the availability of affordable and attainable housing across the Region; and,*
- 3. To achieve these goals through the use of land use and financial incentive tools.*

To achieve these objectives, the Region established minimum affordable housing targets of 20 per cent of all new rental housing and 10 per cent of all new ownership housing. The NOP prioritized the use of surplus Regional property for housing and promoted the redevelopment of underutilized sites for mixed-use and residential purposes. Section 2.3.3 of the NOP outlines mechanisms to help meet these objectives, such as flexible zoning, streamlined approvals, and financial incentives like grants, development charge deferrals, and property tax reductions.

General implementation tools in section 7.5.4 of the NOP identifies Community Improvement Plans as one of the key tools that municipalities can use to support these housing objectives.

For West Lincoln, the Affordable Housing CIP will build directly on this framework by providing a local implementation tool to advance the Township's housing goals.

## **Township of West Lincoln Official Plan, 2021**

The Township of West Lincoln Official Plan (2021 Consolidation) provides the local policy foundation for housing and community improvement planning. It aligns with the

Region of Niagara Official Plan and the Provincial Planning Statement, 2024 by promoting housing diversity, affordability, and community revitalization. The Plan recognizes affordable housing as a fundamental component of a complete and inclusive community and supports both ownership and rental options that are attainable for a range of income levels.

## **Community Improvement Policies**

Within Section 18.10 of the West Lincoln Official Plan: Community Improvement, direction is provided for how the Township identifies, designates, and manages community improvement areas.

Section 18.10.1 outlines the Township's objectives for community improvement planning, including:

- To preserve, rehabilitate and redevelop the existing built environment.
- To maximize the use of existing public infrastructure, facilities, lands and amenities.
- To coordinate private and public community improvement activities.
- To guide the Township in setting priorities for municipal expenditure respecting community improvement projects.
- To participate, wherever possible, in Federal, Provincial and/or Regional programs to facilitate community improvement.
- To reconcile existing land use conflicts and minimize future land use conflicts.

## **Housing Policies**

Section 17 of the West Lincoln Official Plan establishes the Township's commitment to ensuring an adequate supply and mix of housing types, sizes, and tenures that meet the needs of current and future residents. Policies under this section direct the Township to:

- encourage a broad range of housing forms and densities in appropriate locations, including infill and intensification opportunities within settlement areas;
- support the development of affordable and rental housing through partnerships with the private, public, and non-profit sectors;

- promote innovative and alternative housing solutions, such as additional residential units, conversions, and adaptive reuse; and
- use municipal tools, such as planning approvals and financial incentives, to facilitate the provision of affordable housing.

Through the implementation of an Affordable Housing Community Improvement Plan, the Township will be enabling participation in Federal, Provincial and/or Regional programs to facilitate all levels of government investment in community improvement through affordable housing.

A broad range of criteria for the selection of Community Improvement Project Areas is listed in Section 18.10.2. For an area to be identified as a Community Improvement Project Area, one or more of the criteria outlined must be present. Specifically, the proposed Affordable Housing Community Improvement Plan and Project Area will align with the following conditions:

- ii) Vacant lots and/or underutilized properties and buildings which have potential for infill, redevelopment or expansion to better utilize the land base;*
- vii) 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;*

While Affordable Housing is not explicitly outlined as a reason for community improvement, it could be categorized as a deficiency “in the level of community and social services.” Nevertheless, consideration should be given towards implementing an Official Plan Amendment as part of the implementation of the Affordable Housing Community Improvement Plan to establish clear direction for Community Improvement as it relates to Affordable Housing.

Together, Sections 17 and 18.10 in the Township’s Official Plan provide the starting point of a policy foundation for preparing the Affordable Housing Community Improvement Plan. This CIP will directly support these objectives by establishing a

framework of programs and incentives that support the creation of affordable and attainable housing, and help reinforce West Lincoln's character as a complete, inclusive, and sustainable community.

The establishment of the Community Improvement Project Area will be discussed further in a subsequent section.

### **Township of West Lincoln Zoning By-law 2017-70**

The Township of West Lincoln's *Comprehensive Zoning By-law 2017-70*, as amended, provides the primary regulatory framework for land use, building form, and density within the Township. It implements the Official Plan by defining specific zones, permitted uses, and performance standards for residential, commercial, industrial, institutional, and agricultural areas. The Township's Zoning By-law plays a key role in shaping how and where housing can be developed, including provisions for additional residential units, accessory apartments, and a variety of dwelling types across different settlement areas.

Recent Provincial changes also require municipalities to allow up to three residential units on most urban residential lots, removing the need for rezoning or minor variances in many cases.

For West Lincoln, the Zoning By-law serves as a key tool for implementing these Provincial directions at the local level. The Affordable Housing Community Improvement Plan could be designed to complement these regulatory changes by providing financial and procedural incentives that help make new or renovated affordable units financially viable.

### **West Lincoln Strategic Plan, 2023–2026**

The Township's Corporate Strategic Plan presents a long-term vision for West Lincoln as a safe, thriving, and connected community that supports growth while maintaining its rural character. The objectives of the Strategic Plan include building a safe, connected, caring, and active community, championing strategic and responsible growth, enriching the Township's strong agricultural legacy, and advancing organizational capacity and effectiveness. The Affordable Housing CIP will encourage the development of mixed

forms of housing and contribute to strategic and responsible growth within the Township. By working collaboratively with developers, builders, and nonprofits through the Affordable Housing CIP, the Township can support residential growth, including infill and intensification within Smithville.

### **Economic Development Strategy Refresh, 2020**

The Economic Development Strategy Refresh (2020) updated the Township's 2016 Plan to reflect current economic conditions and priorities under the Strategic Plan. It emphasizes business retention and attraction, infrastructure readiness, community engagement, and partnerships that promote local prosperity. Affordable, attainable housing is identified as a critical factor in workforce attraction and retention, particularly for small businesses, manufacturers, and agricultural employers.

During the course of community engagement for this strategy update, the Township polled residents on their opinions of success factors in starting and growing a business in West Lincoln. The results were clear: participants voted that affordable housing is an *Important* factor, while they perceived the Township's performance in housing availability and affordability as *poor*.

The Affordable Housing CIP will provide the Township with tools to increase housing choice, improve affordability for workers, and as a result, strengthen the Township's overall economic competitiveness.



## Community Improvement Project Area

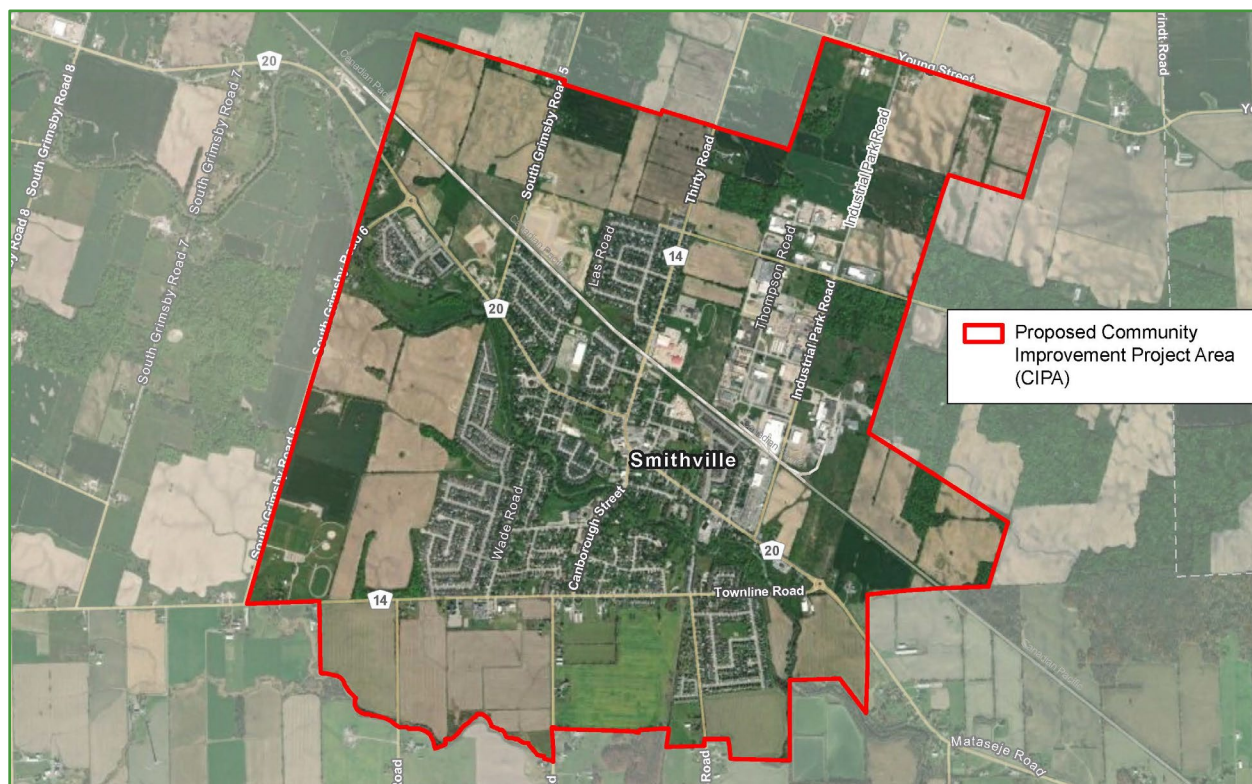
---

Per Section 28 of the *Planning Act*, the first step in preparing a Community Improvement Plan is for Council to designate a Community Improvement Project Area (CIPA). A CIPA may apply Township-wide or be focused on a specific settlement area based on the intent of the Plan. West Lincoln is comprised of fourteen hamlets, of which the largest include: Caistorville, Fulton, Bismark, Grassie, Silverdale, St. Ann's, and Wellandport. There is one primary urban centre: Smithville. As the Township's only Urban Settlement Area, Smithville has been identified by the Region of Niagara as the primary focus for long-term residential and employment growth, with West Lincoln forecast to reach a population of 38,370 by 2051, and the majority of this growth directed to Smithville.

Significant public investment has already been directed toward planning for Smithville's long-term urban structure, infrastructure, and servicing needs. Through the Master Community Plan (MCP), Subwatershed Study, Transportation Master Plan, and Master Servicing Plan, the Township and Region have undertaken comprehensive, multiyear planning work to ensure that Smithville can support the full range of future community uses, infrastructure, and housing types.

The Township's substantial policy groundwork, infrastructure planning, and long-term growth allocation positions Smithville as the logical focus for a Community Improvement Project Area (see map in **Figure 2**). Furthermore, the selection of Smithville for the project area most closely aligns with the Official Plan's Criteria for Selection of Community Improvement Areas. Concentrating the CIP within the Smithville Urban Settlement Area will support the Township's strategic objectives of accommodating growth on full municipal services, promoting intensification and affordable housing opportunities, aligning capital investments, and supporting a sustainable, complete community structure.

**Figure 2: Proposed Community Improvement Project Area Boundary Map**



## CIP Best Practices

To understand how other municipalities are creating and implementing affordable housing CIPs, three case studies have been conducted that will help to inform the design for the new West Lincoln Affordable Housing CIP.

## Municipality of North Perth – Attainable Housing CIP (2024)

North Perth is a community located in Perth County in southwestern Ontario. It is a predominately rural community with its main urban centre being the Town of Listowel. It is the home of approximately 15,500 residents, making it comparable to West Lincoln, which is the home of 15,454 residents. The Municipality's economy is strongly tied to its agricultural sector, and like West Lincoln, it has experienced significant population growth and is the fastest-growing municipality in Perth County. This booming growth has increased pressure to develop more attainable workforce housing. It's Attainable

Housing CIP offers practical insights into tools that work for low- to mid-density communities.

Council adopted the North Perth Attainable Housing CIP in August 2024, with the goal of minimizing financial barriers to creating affordable and attainable housing.

The municipality implemented several municipal programs, including:

1. **Secondary Dwelling Unit Advertising Program** to raise awareness of existing permissions for additional residential units (ARUs) by providing public education materials, online mapping, and guidance to property owners, encouraging them to add rental units that increase local housing supply.
2. **County TIEG Program Partnership** to coordinate with Perth County on the delivery of the Tax Increment Equivalent Grant (TIEG) Program, aligning local and Regional incentives to maximize financial support for attainable housing developments and redevelopment projects.
3. **Residential Rental Registry Program** to create and maintain a database of rental properties, improving transparency for tenants and landlords, supporting By-law compliance, and providing data that can inform housing policy and CIP program delivery.
4. **Strategic Land Banking Program** to enable the municipality to acquire, hold, and prepare surplus or strategic lands for future affordable or attainable housing projects, either through municipal development, partnerships, or resale to builders committed to affordability objectives.

The North Perth CIP also provides for financial incentive programs that may be available for eligible applicants. The Plan outlines the general eligibility criteria, summarized below:

- a) Properties must be located within the Community Improvement Project Area (CIPA) designated by by-law for the CIP.
- b) Only residential projects that provide affordable or attainable housing, as defined in the Plan are eligible.
- c) Projects must support one or more community improvement objectives.

- d) Projects must increase the supply of affordable or attainable housing, with grant values proportional to the number of qualifying units.
- e) Proposed work must result in visible improvement or rehabilitation beyond standard maintenance or replacement.
- f) Property owners, assessed owners, or tenants (with written owner consent) are eligible to apply.
- g) Total grant funding cannot exceed the total value of eligible project costs.
- h) Applicants may access multiple grants, but total funding in any 24-month period cannot exceed \$20,000 per project, excluding deferral or rebate programs.
- i) Incentives cannot be applied retroactively to projects started before application approval.
- j) Applicants must have no outstanding taxes or municipal obligations on the property.
- k) All other funding sources must be disclosed and may reduce the value of municipal incentives at Council's discretion.
- l) Projects must comply with all applicable municipal policies, by-laws, and building or planning approvals.
- m) Affordable or attainable units must remain as such for at least 20 years, secured through a registered agreement with the Municipality.
- n) If a property with attainable rental units is sold, the new owner must assume the existing agreement to maintain affordability for the original term.
- o) Units developed through this Plan cannot be used for short-term accommodations; this restriction will be registered on title.

The sum of the eligibility criteria ensures regard for development aligned with the goals and objectives of the CIP, high-quality design principles, transparency of funding and outstanding debts, and long-term affordability enforced through legal agreements.

Financial Incentive Programs outlined in this CIP include:

1. **Planning and Building Permit Fee Grant** to offset Planning Act application and building permit fees that are typically required by the municipality.

2. **Tax Increment Equivalency Grant** to provide a grant that is equivalent to a percentage of the municipal portion of property taxes where a tax increase has occurred because of the attainable housing project.
3. **Development Charge Rebate Program** with the intention to waive the cost of municipal development charges to promote community improvement, as outlined in the Development Charges Act.
4. **Additional Dwelling Unit Grant Program** that provides a grant for 50% of eligible costs to a maximum of \$10,000 per property to create an additional dwelling unit.
5. **Commercial and Rental Housing Conversion and Expansion Grant** to assist with the conversion of small-scale vacant or underutilized spaces for eligible uses, including commercial, rental housing, and mixed-use projects.

The North Perth Attainable Housing CIP also outlines alternative funding options for housing, including incentives programs offered by the Federal government, the Ontario government, the City of Stratford Social Services Department, the Canada Mortgage and Housing Corporation (CMHC), and the Federation of Canadian Municipalities (FCM).

### **Town of the Blue Mountains – Housing Within Reach (2021)**

The Town of the Blue Mountains is situated along the southern shore of Georgian Bay and is characterized as a rural and recreation-oriented community with a 2021 population of 9,400 residents. The pressures of growth in the Town are unique as its affordability challenges are driven by tourism, seasonal residents, and the high cost of living.

The Town of the Blue Mountains “Housing Within Reach” Community Improvement Plan was adopted by Council in January 2021 with the goal of reducing housing barriers and promoting the development of attainable housing.

Their CIP focuses solely on “attainable’ housing.” They distinguish attainable housing and affordable housing as separate entities through defining affordable as *“housing that is subsidized through one-time funding or an on-going basis”*.

*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.*

The Town associates attainable housing with private sector and non-profit investment, and as such, the financial incentives are targeted towards private and non-profit sectors. The Plan prioritizes the partnership with their upper-tier municipality, Grey County, to facilitate their Plan's attainable housing objectives and provide support for the financial incentives offered. The Town's non-financial incentives focus on public education and awareness to encourage homeowners to support the development of gentle density attainable housing.

The eligibility criteria differ for each program but generally apply to all properties within the Community Improvement Project Area.

The CIP's non-financial incentives include:

1. **Marketing and Education** where the Town promotes this Plan with education and awareness; providing engagement with the community to facilitate a better understanding of how the Plan assists in developing attainable housing.



2. **Pre-Zoning** to permit higher density, mixed-use, and attainable housing forms as-of-right in select areas to reduce approval timelines, lowering development uncertainty and encouraging projects that align with the Town's long-term housing objectives.
3. **Community Planning Permit System** provides a streamlined process for zoning, site plan, and minor variance approvals into a single process, enabling faster and more predictable approvals for attainable housing projects.

The CIP's financial incentives include:

1. **Attainable Housing Feasibility Grant Program** provides a grant to offset early-stage feasibility and technical study costs to help determine whether a site can support attainable housing.
2. **Development Charges Grant Equivalent Program** provides a grant equivalent to some or all of the Town's development charges to reduce upfront development costs for eligible attainable housing projects.
3. **Tax Increment Equivalent Program (TIEG)** provides an annual grant equal to a portion of the municipal tax increase resulting from an attainable housing development to assist with long-term project viability.
4. **Municipal Fees Grant or Loan Equivalent Program** provides support by reimbursing or deferring eligible municipal fees, such as planning, building, and engineering fees, through either a grant or interest-free loan.
5. **Downtown Apartment Rehabilitation or Conversion Program** provides funding to convert or rehabilitate vacant or underused upper-storey downtown spaces into new attainable rental units.
6. **Additional Residential Unit Program** provides a grant to assist homeowners in constructing legal additional residential units, such as basement suites or garden suites, to increase attainable rental supply.
7. **Surplus Land Grant Program** provides municipally owned surplus land at a reduced cost or through favourable terms to facilitate the development of attainable housing.

8. **Landbanking Policy** enables the Town with the ability to acquire, hold, and prepare strategic lands for future attainable housing projects in partnership with private or non-profit developers.

### **Town of Fort Erie – Affordable Housing CIP (2025)**

The Town of Fort Erie is a larger municipality of approximately 32,900 residents, located in south Niagara Region along the border with Buffalo, New York. Situated roughly 75 kilometres from West Lincoln, it serves as a nearby Regional comparator with shared housing challenges.

The Town of Fort Erie has prioritized affordable housing in their 2023–2026 Strategic Plan and outlines several key strategies to address constraints in building affordable housing. The Town’s Housing Action Strategy and Housing Needs Study recognized that a CIP can encourage the development of affordable housing projects within the municipality by reducing and eliminating barriers for private sector and non-profit sector projects. This CIP works to complement the efforts of Niagara Region’s housing services.

The Town of Fort Erie defines affordable housing as:

*Market and non-profit housing developments costing less than or equal to the “Made in Fort Erie” threshold, excluding income security aspects of regional programs for the following:*

- *Home Ownership: Affordable housing is defined as housing with a purchase price at or below the “Made in Fort Erie” threshold purchase price of a resale unit in the Town of Fort Erie.*
- *Rental Housing: Affordable housing is defined as a unit with rent at or below the “Made in Fort Erie” threshold.*

The “Made in Fort Erie” threshold is a local affordability benchmark that defines whether a housing unit qualifies as “affordable.” The threshold is calculated using local market data from the Canada Mortgage and Housing Corporation (CMHC) and the Canadian Real Estate Association (CREA) and is updated annually. For rental units, the threshold is based on Fort Erie’s average market rent (AMR). For ownership units, the threshold is

set at 70% of the average residential sale price for southern Ontario. This benchmark was created to more accurately define affordable housing by grounding it in the local context and updating it annually to reflect current market conditions.

Each program in the Fort Erie CIP outlines the requirements for nonprofit and charitable organizations that must be met, along with additional requirements for for-profit/market developers. Each requirement outlines the minimum number of affordable units, affordability, types of housing permitted, housing tenure, and affordability period.

The Town of Fort Erie offers the following financial programs:

1. **Affordable Housing Per Door Grant (APD)** supports the creation of new affordable rental or ownership units by offering a flexible per-unit grant that helps offset eligible development or redevelopment costs, with grant amounts determined through an affordability evaluation process.
2. **Affordable Housing Study Grant (ASG)** helps applicants complete necessary early-stage studies, such as feasibility analyses, conceptual designs, structural assessments, or servicing reviews that explore opportunities to incorporate affordable units or cost-efficient building practices into a proposed development.
3. **Additional Dwelling Unit Grant (ADU)** assists homeowners or property owners in creating additional dwelling units, either within existing buildings or as detached accessory units, by supporting eligible construction activities, building upgrades, and improvements needed to bring the new unit into compliance with applicable codes and standards.

The Town of Fort Erie Affordable Housing CIP does not include any non-financial incentives.

## Other Programs

Through a scan of municipal CIPs across Ontario, several additional incentive programs have been identified that may be of interest for consideration. These programs are used in various municipalities to address local housing needs, although they may not be feasible or effective for the local community in West Lincoln.

**Figure 3: Other CIP Incentive Programs**

<b>Program</b>	<b>Description</b>
Development Charge Deferral Program	A program that allows eligible affordable housing projects to defer municipal development charges until a later stage of development.
Extended Benefit Grant	A grant designed to bridge the financial gap between different affordability levels, such as between “affordable” and “deeply affordable” rents. The City of Welland uses this program to provide additional support for units that serve households with lower incomes and greater affordability needs.
Study Grant	A grant that supports early due diligence by helping fund feasibility studies, concept design work, or technical assessments needed to advance an affordable housing project. This type of program is often paired with other incentives and is used in communities such as the City of Barrie and other urban municipalities.

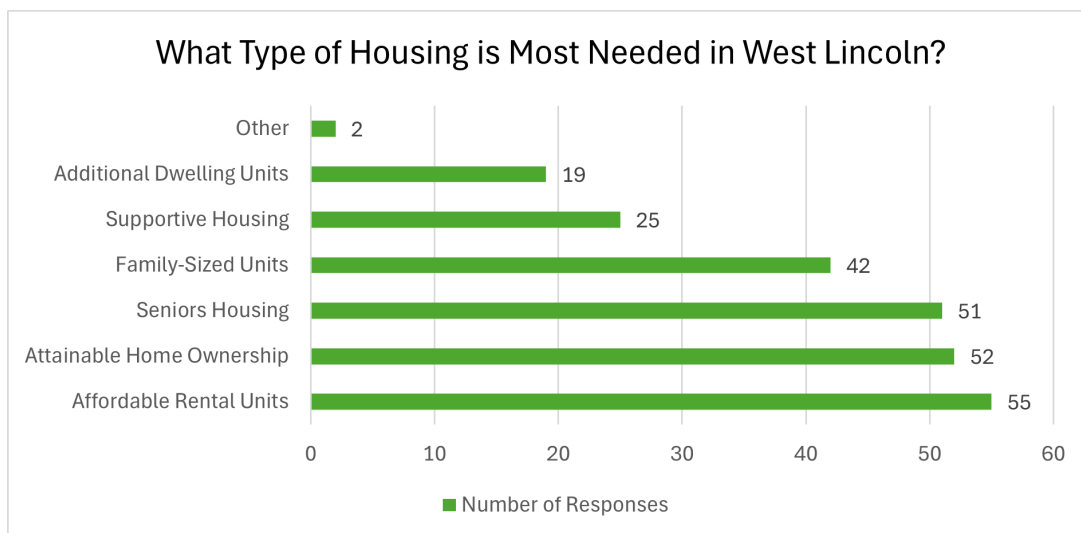
## What We Heard – Online Survey Results

The Township invited residents, community partners, and stakeholders to provide input on affordable housing needs and potential directions for the Affordable Housing CIP through an online survey open from October 23 to November 13, 2025. A total of eighty-eight responses were received. The survey included a combination of multiple-choice and open-ended questions, as well as an option for participants to provide contact information for future project updates.

Overall, respondents expressed strong support for the development of an Affordable Housing CIP and identified a range of local housing needs. Common themes included the desire to see more affordable rental units and attainable homeownership opportunities, particularly family-sized units. Many participants noted the importance of increasing housing options for seniors and young adults to support aging in place and community retention. Respondents also expressed interest in partnerships with nonprofit housing providers and social service organizations to deliver supportive housing, community spaces, and related services.

The diagrams and charts below provide a more detailed overview of the responses collected through the survey.

**Figure 4:** “What Type of Housing is Most Needed in West Lincoln?” – Survey Results



**Figure 4** illustrates the results for “*What type of housing is most needed in West Lincoln?*” and responses indicate strong support for the development of additional affordable rental units and attainable homeownership opportunities. Respondents emphasized the need for family-sized homes, as well as housing options suitable for seniors and young adults. The results reflect a desire for a broader range of moderately priced housing to support residents at different life stages.

**Figure 5** presents the most frequently identified affordability ranges for rental and ownership housing as reported by survey respondents in West Lincoln.

**Figure 5: Word Map of Affordability Ranges**

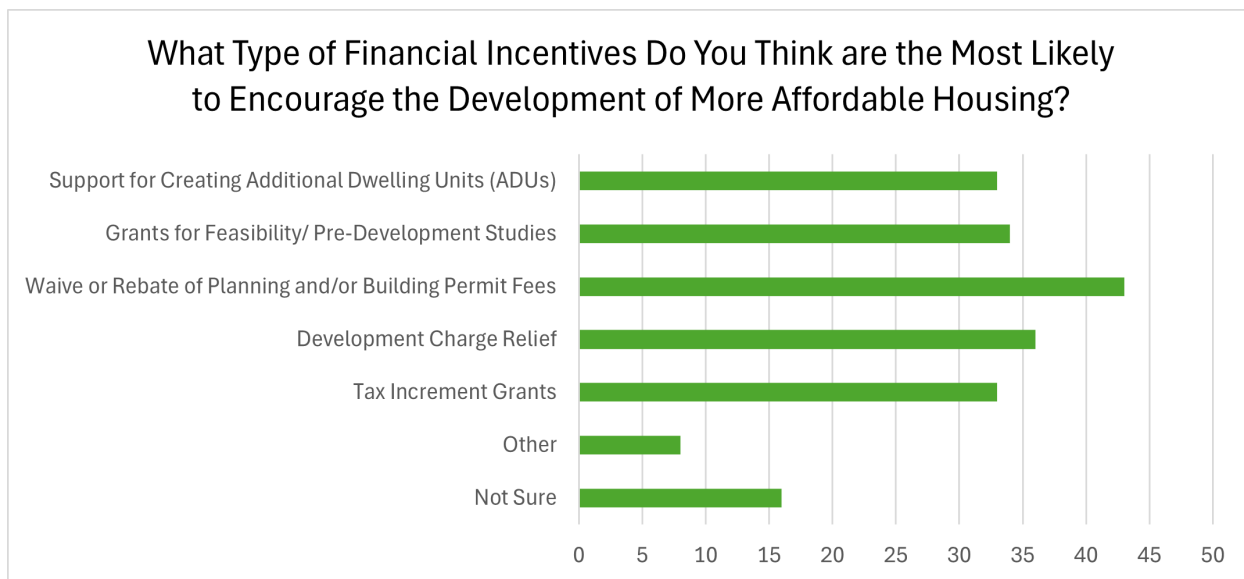


Survey responses regarding affordability thresholds showed broad variation but clear overall patterns. For homeownership, most respondents identified an affordable purchase price within the \$200,000 to \$400,000 range, with common responses clustering around \$200,000, \$250,000, \$300,000, and \$400,000. Fewer respondents identified thresholds below \$200,000 or above \$500,000. For rental housing, respondents generally viewed \$1,000 to \$1,500 per month as an affordable rent level, with values such as \$1,200 and \$1,500 cited most frequently. A smaller number of responses suggested amounts below \$800 or above \$2,000. Overall, the results indicate that residents perceive affordable homeownership to fall between \$200,000 and \$400,000, and affordable rent to fall primarily between \$1,000 and \$1,500 per month.

Respondents were asked to select the types of financial and non-financial incentives they thought would be most likely to encourage the development of more affordable housing.

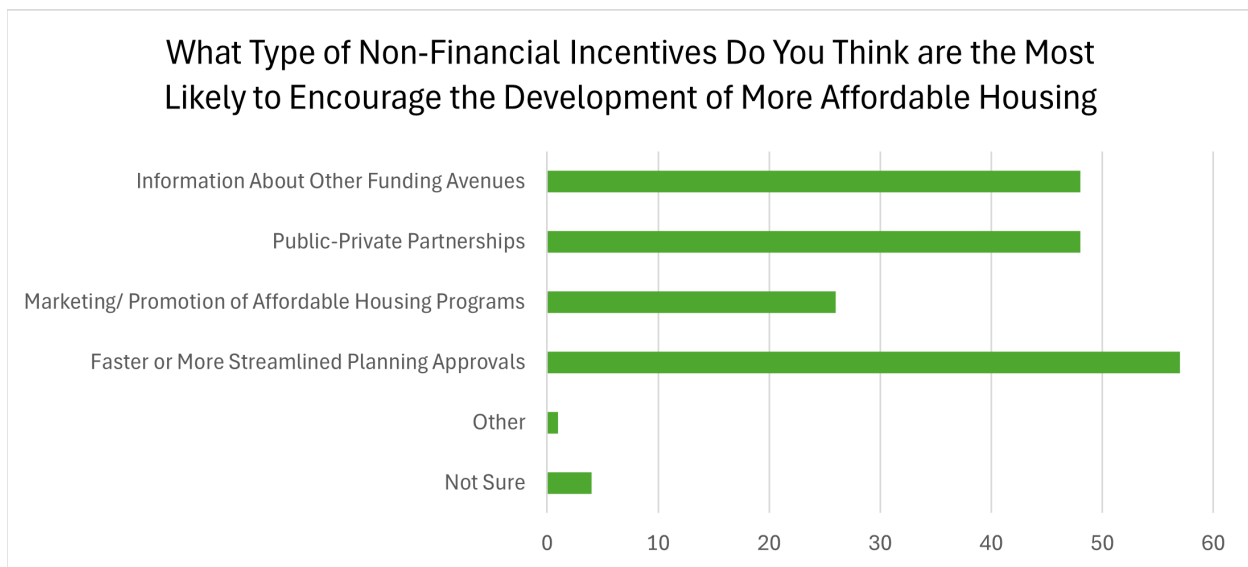


**Figure 6:** “What Type of Financial Incentives Do You Think are the Most Likely to Encourage the Development of More Affordable Housing?” – Survey Results



**Figure 6** illustrates the responses to “*What type of financial incentives do you think are the most likely to encourage the development of more affordable housing?*” Responses show clear support for tools that directly reduce the cost of building affordable and attainable housing. Respondents identified capital grants as the most effective option, particularly those targeted toward rental housing, attainable homeownership, or projects led by nonprofit organizations. Many participants also supported development charge reductions or waivers, permit fee rebates, and tax-based incentives, such as tax increment grants, as ways to improve project feasibility. Several respondents noted that financial incentives should prioritize developments that deliver long-term affordability, family-sized units, or housing that supports seniors and young adults. Overall, respondents view financial incentives as an important mechanism for lowering development barriers and encouraging a broader range of housing options in West Lincoln.

**Figure 7:** “What Type of Non-Financial Incentives Do You Think are the Most Likely to Encourage the Development of More Affordable Housing?” – Survey Answers



**Figure 7** illustrates the responses to “*What type of non-financial incentives do you think are the most likely to encourage the development of more affordable housing?*”

Responses indicate strong interest in tools that improve efficiency, reduce uncertainty, and strengthen partnerships. Many respondents emphasized the value of streamlined or faster planning approvals, noting that clearer processes and shorter timelines would help reduce costs and encourage a more supportive development environment. There was also significant interest in enhanced communication and collaboration, including public–private partnerships, partnerships with nonprofit housing providers, and coordination with social service organizations to deliver community spaces, supportive housing, and resident services. Participants also highlighted the potential for land use and zoning flexibility, such as allowing a wider range of housing forms, encouraging gentle density, and supporting mixed-income developments. Overall, the feedback demonstrates strong support for non-financial tools that make the development process more predictable, accessible, and aligned with community needs.

## Recommended Options for the Affordable Housing CIP

---

This section presents a range of potential directions for the Affordable Housing CIP, intended to guide discussion and help shape the final Plan. Across Ontario, municipalities tailor their affordable housing CIPs to meet local needs, market conditions, and community priorities. The options outlined include potential vision statements, goals and objectives, financial and non-financial incentives, and implementation approaches. These are provided for consideration so that West Lincoln can strategically select the tools that best support its unique housing context and long-term community goals.

### Potential Vision, Goals, and Objectives

Potential vision statement:

*To invest in the liveability of our communities by providing the Township with a toolbox of incentive programs for affordable and attainable housing for people of all ages and stages, connecting people to amenities, and creating a more inclusive West Lincoln for all.*

#### ► **Goal 1: Expand the Supply of Affordable Housing in Smithville**

Objectives:

- Support the development of new affordable rental units, with emphasis on family-sized and seniors' units.
- Encourage the creation of purpose-built rental housing to address current market gaps.
- Promote gentle density solutions such as additional dwelling units and secondary suites.

#### ► **Goal 2: Diversify Housing Options to Serve All Ages and Stages**

Objectives:

- Increase the range of unit types, including multi-unit buildings, accessible units, family-sized dwellings, seniors' housing, and supportive housing.
- Encourage accessible housing forms that align with West Lincoln's rural character while meeting community needs.

- Support housing that enables residents to live, grow, and age within the community.

► **Goal 3: Reduce Barriers to Affordable and Attainable Housing Development**

*Objectives:*

- Provide flexible, predictable incentive programs that reduce development costs.
- Streamline processes and clarify requirements for applicants, including homeowners and small-scale builders.
- Support partnerships with nonprofits, private developers, and other levels of government.

► **Goal 4: Encourage Homeowner Participation in Housing Solutions**

*Objectives:*

- Promote the development of additional dwelling units, garden suites, and other small-scale affordable housing options on existing lots.
- Provide information, guidance, and incentives to homeowners to increase uptake of small-scale rental opportunities.

► **Goal 5: Maximize the Impact of Municipal Funding**

*Objectives:*

- Fully and strategically utilize the annual CIP funding allocated by Council.
- Prioritize incentives that deliver the greatest community benefit and support long-term affordability.
- Monitor program outcomes to ensure funding is directed to the most effective programs.

## Options for Affordable Housing Incentives for West Lincoln

The financial incentive programs, non-financial incentive programs, and implementation options outlined in this section are presented as a menu of potential options to support the development of affordable and attainable housing, rather than a list of programs that will all be implemented. Their purpose is to provide Township staff with a broad catalogue from which to select the most appropriate and achievable tools for West Lincoln. The final CIP will include only a refined set of incentives that align with local needs, administrative capacity, and available funding.

## Financial Incentives

Financial incentives play a key role in supporting affordable and attainable housing by reducing the financial barriers that often make these projects challenging to deliver, ensuring that a wider range of housing forms can be achieved in West Lincoln. The following financial options in **Figure 9** are included to spark discussion around what type of grants or programs might be most effective for the Township of West Lincoln.

**Figure 9: Financial Incentive Options**

<b>1. Additional Residential/Dwelling Unit (ADU/ARU) Grant</b>	Supports the creation of new additional residential units such as basement suites, garden suites, or coach houses by assisting with eligible construction, finishing, or building code compliance costs, helping expand small-scale rental supply throughout the Township.
<b>2. Planning and Building Waiver Program</b>	Reduces the upfront cost of creating affordable or attainable housing by waiving municipal planning and building fees for eligible projects, encouraging homeowners, landlords, and developers to bring forward applications that add to the local housing supply.
<b>3. Accessible Design Top-Up Grant</b>	Encourages barrier-free and age-friendly housing by offering a top-up to eligible projects that incorporate accessible design elements, such as widened doorways, no-

	step entries, or accessible bathrooms to support residents of all ages and abilities.
<b>4. Family-Sized or Seniors' Unit Top-Up Grant</b>	Provides additional support to projects that create purpose-built family-sized or seniors' units, recognizing the growing need for multi-bedroom and attainable housing options.
<b>5. Home Upgrade Support Grant</b>	Assists eligible projects with minor home upgrades, such as upsizing water connections, improving electrical capacity, or upgrading HVAC systems when such improvements are necessary to accommodate new affordable or attainable units.

## Non-Financial Incentives

Non-financial incentives are equally important because they help create the conditions for success by improving awareness, streamlining processes, and providing technical support. Having a toolbox of non-financial incentives allows the Township to encourage more builders, homeowners, and community partners to pursue affordable and attainable housing opportunities. The following non-financial options in **Figure 10** are included to spark discussion around what type of programs might be most effective for the Township of West Lincoln.

**Figure 10: Non-Financial Incentive Options**

<b>1. Marketing and Media Strategies</b>	Promotes awareness of the CIP through proactive marketing, public information campaigns, and targeted outreach to homeowners, landlords, builders, and community organizations
--	--



	to increase participation and support attainable housing initiatives.
<b>2. Education and Capacity-Building Workshops</b>	Provides workshops, guides, and technical support materials to help residents, landowners, and builders understand the process of creating additional residential units, undertaking gentle density, and accessing available incentives.
<b>3. Housing Concierge / Client Support Service</b>	Improves the applicant experience by offering a dedicated staff contact to guide proponents through approvals, help troubleshoot issues, and streamline the application and permitting process.
<b>4. Pre-Zoning or As-of-Right Permissions</b>	Identifies opportunities to pre-zone key areas or expand as-of-right permissions for gentle density and low-rise multi-unit forms, reducing the need for site-specific amendments and supporting faster, more predictable approvals for housing projects that align with Township goals.

## Implementation Options

The following outlines potential approaches for administering the Affordable Housing CIP, ensuring transparency, predictability, and efficient use of municipal resources.

### Application Intake Options

Several intake models can be considered for how the Township receives and processes applications:

- Open/Closed Application Windows: Applications may be accepted during defined intake periods established by staff (e.g., quarterly or semi-annually). This approach allows staff to assess applications in batches, allocate funds strategically, and ensure alignment with program goals.

- **First-Come, First-Served:** Applications may also be reviewed as they are received, with funding allocated until the annual budget is exhausted. This method provides predictability for applicants but may require strict completeness and eligibility checks to ensure fairness.

### Eligibility Criteria

To ensure that CIP funding supports projects that meaningfully contribute to affordable housing objectives, the following eligibility criteria may be considered:

- ***Property Ownership:*** Applicants must be the registered homeowner or property owner or have written authorization from the owner.
- ***Project Readiness and Timeline:*** Applicants should demonstrate the ability to commence work within a specified timeframe and complete the project within a set number of years (e.g., two years), ensuring that funds support projects that can be delivered in a timely manner.
- ***Affordability Requirements:*** Projects must commit to achieving defined affordability outcomes. For example, meeting or exceeding the Provincial Planning Statement, 2024 “Affordability” definition for rental rates, duration of affordability, and target populations (e.g., families, seniors).
- ***Planning Compliance:*** Proposed projects must comply with applicable zoning, building codes, and planning requirements or demonstrate a clear pathway to obtaining required approvals.
- ***Financial Feasibility:*** Applicants should provide a basic pro forma, cost estimate, or other financial documentation to show that the project is viable and that CIP funds are necessary to close the affordability gap.
- ***Alignment with CIP Goals:*** Projects should contribute to the CIP’s goals, such as increasing affordable rentals, creating family-sized or seniors’ units, or adding gentle-density options like ADUs.

A clear and accessible application form should be developed to support applicants in providing the materials necessary to meet these eligibility requirements.

### Delegated Authority for Funding Decisions

To streamline administration and reduce delays for applicants, it is recommended that approval authority for CIP incentives be delegated to municipal staff. Under this approach, Council would establish the program framework, funding limits, and eligibility criteria through the adoption of the CIP. Once those parameters are in place, staff would be responsible for reviewing applications, determining eligibility, and issuing approvals.

A system of regular reporting, including annual or semi-annual summaries presented to Council, would maintain transparency and allow elected officials to monitor program uptake, funding allocations, and community outcomes. This approach reduces administrative burden while ensuring accountability and alignment with Council's direction.

### Next Steps

---

As the Township moves into the next phase of the project, several key considerations outlined in this Background Study Report should guide the development of the Affordable Housing CIP. The upcoming work will focus on refining the proposed incentive programs and preparing the draft CIP, which will be presented to stakeholders and the public alongside this Background Report at an engagement session in January 2026. As part of this process, Council may consider reallocating funds from existing Township CIPs to help create a stronger initial funding base, as an early infusion of resources may support program uptake and demonstrate municipal commitment. In addition, the Township should explore opportunities to leverage external funding to expand CIP impact through other government programs at the Federal, Provincial, and Regional levels. Selecting a focused suite of incentives that aligns with local needs, administrative capacity, and available resources will be essential.