



Subject:	Community Improvement Plan Review Financial Analysis and Draft Attainable Housing and Mixed-Use Community Improvement Plan
To:	Committee of the Whole – Planning & Economic Development
From:	Office of The Chief Administrative Officer

Report Number:	AD-11-22
Wards Affected:	All
Date to Committee:	July 4, 2022
Date to Council:	July 11, 2022

Recommendations:

Council receive for information, Report AD-11-22 regarding the Community Improvement Plan Review Financial Analysis and the Draft Attainable Housing and Mixed-Use Community Improvement Plan;

Council direct staff to include as part of the consultation process for the draft Attainable Housing and Mixed-Use Community Improvement Plan, the proposed changes to the Industrial and Rural Community Improvement Plan to amend the development charge reduction grant programs to a development charge reduction equivalent grant program and to limit the tax increment financing grant programs to a maximum of 5 years;

Council approve in principle that Staff come forward as part of the 2023 budget:

- (a) The inclusion of funding for the heritage grant program within the heritage budget;
- (b) A request to increase funding to support the Community Improvement Plan program, both existing and proposed;
- (c) Staff include as part of the 2023 budget a multi-year financial forecast for the Community Improvement Plan programs, Community Improvement Plan reserves, heritage funding programs, and development charge repayments; and

Council permit Staff to accept applications for the Industrial and Rural Community Improvement Plan with approval being put on hold pending any applications being in alignment with the proposed changes to the Community Improvement Plan programs and funding availability in 2023.

Purpose:

The purpose of this report is to provide Committee and Council with information on the Town's proposed approach to the Community Improvement Plan (CIP) financial incentive

programs, including the associated financial analysis. The report provides recommendations on funding of those CIP programs, to ensure that the CIP programs are financially sustainable over the long-term.

This report provides a draft of the new Attainable Housing and Mixed-Use Community Improvement Plan to replace the Beamsville, Vineland and Mixed-Use CIPs. As detailed later in this report, although aspects of the three existing CIPs are included in the new CIP, the new CIP focuses the incentives on Council's priorities and the needs in the community, since it is not necessary to continue to incentivize uses that would occur based on market conditions. To be clear, Staff are recommending that we no longer incentivize non-attainable (non-affordable) residential development, as market conditions no longer require it.

This report also recommends some changes to the Industrial and Rural CIP. The purpose of the changes are to amend the development charge reduction grant programs to a development charge reduction equivalent grant program and to limit the tax increment financing programs to a maximum of 5 years to address the financial sustainability of our CIP programs. Staff still recommend the continuation of the Industrial and Rural CIP, albeit modified, as the incentivization of jobs and economic growth is a key component of economic development and private sector investment attraction.

Lastly, the report recommends that separate and aside from the aforementioned CIP's that the Town cease to fund conventional residential development (non-attainable) in any way.

Background:

Along with facilitating the revitalization and improvement of the municipality, Lincoln's proposed new CIP program will provide a menu of incentives to promote and support the following types of priority development and revitalization projects (in line with many of the priorities outlined in Council's priorities). These include:

- Increase attainable housing stock, including secondary suites, multi-unit housing, and purpose built rental housing;
- Increased value-added agricultural uses, agri-tourism and building improvement projects;
- Promotion of the redevelopment and/or the conversion of brownfield and vacant properties;
- Support for our downtown(s) revitalization with respect to store fronts (facades), publicly used frontages, and streetscapes; and
- Support the adaptive re-use of commercial, industrial, and institutional buildings.

Revitalization and improvement refer, in a broad sense, to activities that contribute to economic development, beautification, aesthetic improvements, public realm improvements, environmental sustainability, and the creation of a sense of place. Examples of activities that contribute towards long-term revitalization include:

- Providing opportunities for attainable housing;
- The improvement and beautification of buildings, facades, and properties;
- The adaptive reuse and restoration of historic properties and structures;
- Improvement of community infrastructure, open spaces, and pedestrian networks;
- The sensitive and appropriate redevelopment of underutilized properties, or development of existing properties;
- Improvements of buildings to enhance accessibility for persons with disabilities;
- The remediation and redevelopment or reuse of environmentally contaminated properties (brownfields) where appropriate; and
- Promotion of economic development and business growth.

This report and proposed strategy as we move forward, recognizes that improvements achieved through various municipal initiatives can serve as a catalyst for future private investment and are therefore critical to an overall revitalization strategy.

The revitalization and improvement of any community will take many different forms and will require the participation of the municipality, the public and various stakeholders. This report and proposed approach establish a set of financial incentive programs aimed at encouraging private sector investment to undertake many of the above noted actives; while also aiming to be cognizant they require a long-term financial strategy.

Niagara Region and the Town have for some time administered CIP programs. Since the initial adoptions of Lincoln's CIPs, in line with what Niagara Region was also previously administering, and providing incentives for (many residential housing options), the types of financial incentives have now changed, and are now much more targeted and focused. Council has approved several new strategies, policies, and plans, to help shape Lincoln as a place to grow, prosper, and belong. Lincoln also began to selectively implement certain residential and higher density developments. This review and the recommended changes to our CIPs must align with Council's strategies, policies, and plans, as well as Council's priorities, while at the same time being fiscally responsible. This is important so that the residents of Lincoln are able to ensure there is a benefit and tangible results to the investment provided.

Staff held a CIP workshop with Council in July 2021 which provided an overview of CIPs and case studies of how other municipalities use them. This workshop was conducted by Lauren Millier from MDB Insights and supported by staff.

On Oct. 6, 2021 Staff presented Report AD-21-21, the CIP Activity and Monitoring Report. AD-21-21 reported on the CIP activity and key performance indicators (KPIs) for the applications that have been approved and completed as of Dec. 31, 2020 for all of the CIP programs. AD-21-21 was the first step in the review process in order to evaluate and review the performance of the existing programs. Some of the key findings in that report which support continued investment in our CIP programs subject to a refocus of some of the programs include:

- Construction of new commercial and mixed-use projects;
- Creation of new jobs in the Town;
- Attraction of private sector investment that helps grow the economy;
- Wider range of housing choice provided through the construction of multiples and apartments within mixed-use projects;
- Creation of some attainable ownership housing units;
- Increases in assessment and tax revenue as a result of the redevelopment of underutilized lands; and
- Improvements to commercial facades and buildings which improves the overall appearance of an area.

AD-21-21 also provided information on the process for the Council directed CIP review which was made on Dec. 21, 2020 with further direction provided on May 31, 2021 through a notice of motion which directed that the CIP review reflect the needs of the community, provide information on CIP incentives of other municipalities, review best practices, and include a financial analysis.

On Feb. 28, 2022, Staff presented AD-02-22 which reported on:

- Best practices of other municipal CIPs.
- The initial public and stakeholder consultation from the public and stakeholders regarding CIPs through the surveys on the Speak Up Lincoln CIP Project Page.
- The recommended draft incentive programs, including changes to funding.

AD-02-22 recommended a pause on accepting any applications in the Beamsville, Vineland and Mixed-Use CIPs until a new CIP is in place to replace those 3 CIPs. This is to ensure that applications reflect the priorities of Council and the needs of the community, they are evaluated and approved based on the new CIP and there is funding available for the new programs. That report also recommended a pause in accepting applications in the Industrial and Rural CIP until the financial analysis was completed to ensure financial sustainability for our CIPs.

The next steps in the review process and which are the subject of this report include:

- Financial analysis of the budget requirements for the existing incentive programs and the proposed incentive programs, including recommendations on future funding.
- Preparation of a new CIP to replace the three existing CIPs.
- Recommended minor changes to the Industrial and Rural CIP.
- Transfer of funding for the heritage grant programs from the CIP fund to a separate heritage grant fund since those programs can be approved and funded outside of the CIP programs.

Where changes are made to a CIP or where a new CIP is prepared, the process must follow the minimum requirements set out in the Planning Act. The subsequent steps in

the process, which will be the subject of further reporting to Committee and Council, include the following:

- Public, stakeholder and agency consultation regarding the draft CIP and funding.
- Circulation of the draft CIP to stakeholders, agencies and the public for review and comment.
- Formal public meeting as per the requirements of the Planning Act.
- Finalization of the CIP and approval by Council.
- Updating of administrative procedures and forms.
- Approval of budget allocation for the programs.

Report:

Draft Attainable Housing and Mixed-Use CIP

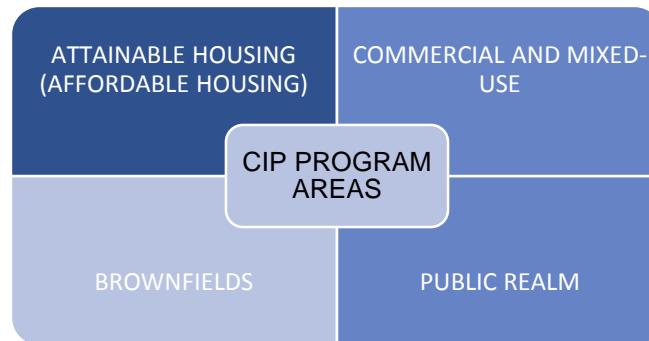
While the Town offers an excellent quality of life for many of its residents, there are opportunities for the Town to build on its strengths while addressing its community needs, in order to work towards its long-term vision. A CIP is a mechanism through Section 28 of the *Planning Act* which allows the Town to direct funds towards specific projects that encourages the construction of attainable housing (affordable housing) throughout the community along with promoting private sector commercial investment, revitalization and redevelopment, and adaptive reuse of commercial and mixed-use areas to meet specific goals and needs in the community. Revitalization and improvement refer, in a broad sense, to activities that contribute to economic development, beautification, aesthetic improvements, public realm improvements, environmental sustainability, quality of life and the creation of a sense of place. The Attainable Housing and Mixed-Use CIP will provide an opportunity for the Town to encourage targeted, responsible and sustainable growth through support for development and redevelopment which fits within the context of the vision of a place to grow, prosper and belong. A copy of the draft CIP is included as Appendix A to this report.

Based on Council's vision, the goals of the Attainable Housing and Mixed-Use CIP are to:

- a) Increase the supply of attainable rental housing;
- b) Increase the supply of attainable ownership housing;
- c) Increase the supply of rental housing;
- d) Increase the amount of commercial floor space;
- e) Encourage the revitalization of buildings within commercial areas;
- f) Increase the supply of tourism accommodation;
- g) Ensure that projects include exceptional urban design;
- h) Encourage the inclusion of green infrastructure and other climate change initiatives within projects; and
- i) Support improvements to the public realm.

CIPs in general have similar goals to those above but are also specific to the particular needs of a community. The draft CIP programs address the goals in the draft CIP through four program areas as shown in Figure 1 on page 6. A list of the individual incentive programs within each of the four program areas is included in Table 1 on pages 6 and 7.

Figure 1 – Program Areas



The draft CIP will replace the Beamsville, Vineland and Mixed-Use CIPs with a more up to date targeted and focused CIP. In formulating the draft CIP, Staff reviewed CIPs offered by other municipalities, their incentive programs and funding for their programs, and the best practices of those CIPs. In addition to considering Council's vision and priorities, Staff considered Council approved strategies, policies and plans. Staff considered the initial input from both the public and stakeholder results from the surveys on the Speak Up Lincoln CIP Project Page as well as the stakeholder consultation session. The Region has new incentive programs, and the draft CIP has been prepared so that it aligns with their programs where applicable, to ensure consistency.

The CIP includes general program requirements in Part 3 which will apply to all financial incentive programs. The incentive programs within Part 4 include four program areas, those areas being attainable housing, brownfields, commercial and mixed-use and public realm. Each of programs within the four program areas listed in Table 1 below include the purpose of the program, the description of the program, and the eligibility requirements and conditions for each individual incentive program. The complete details of each program are included in the CIP in the Sections identified in Table 1.

Table 1 – Incentive Programs

Program Area	CIP Section	Change
<u>Attainable Housing Incentive Programs</u>		
• Attainable Rental Housing Development Charge Reduction Equivalent Grant	4.2.1	New
• <i>Attainable and Supportive Rental Housing Development Charges Deferral</i>	4.2.2	DCB
• <i>Development Charge Intensification Exemption (Secondary Dwelling Units)</i>	4.2.3	DCA
• <i>Non-Profit Development Charge Deferral</i>	4.2.4	DCA

Program Area	CIP Section	Change
• Attainable Rental Housing Tax Increment Financing Grant	4.2.5	New
• Small Building Rental Grant	4.2.6	Modified
• Residential Rental Grant	4.2.7	New
• Cash in Lieu of Parkland Fees and Community Benefits Charges Equivalent Grant	4.2.8	New
• Planning and Building Permit Fees Grant	4.2.9	New
<u>Brownfield Program</u>		
• Environmental Site Assessment Study Grant	4.3.1	Existing
<u>Commercial and Mixed-Use Programs</u>		
• <i>Commercial Development Charge Deferral</i>	4.4.1	DCA
• Commercial and Mixed-Use Tax Increment Financing Grant	4.4.2	Modified
<u>Public Realm Programs</u>		
• Building Improvement Grant	4.5.1	Modified
• Façade Improvement Grant	4.5.2	Modified

Although the four incentive programs highlighted in *blue italic text* are mandatory exemptions in the Development Charges Act (DCA) or are included in the Town's Development Charges By-law (DCB), they are included in the CIP for reference so that applicants are aware of those exemptions when applying for the CIP programs.

Part 9 provides project evaluation criteria which requires that in order to be eligible for the attainable rental housing development charge reduction grant, the attainable rental housing tax increment financing grant, the small building rental grant, and the commercial mixed-use tax increment financing grant, the project must achieve a minimum number of points in the design features and environmental sustainability category. This is to ensure that all projects achieve high quality design and incorporate environmental sustainability features in their projects.

All commercial and mixed-use tax increment financing grant applications will be subject to an annual intake window and will be evaluated based on all of the project evaluation criteria in Part 9. This enables a priority ranking of all commercial and mixed-use applications submitted by the intake date for consideration of project approval. All applications for the commercial and mixed-use tax increment financing grant must achieve a minimum number of points in order to be considered for approval and only the highest ranked application(s) will be considered for approval. The purpose of the ranking is to provide funding only for the highest ranked application(s) which is subject to available funding.

The CIP includes provisions relating to implementation in Part 5, detailed monitoring requirements in Part 6 and recommendations for marketing in Part 7. Part 8 provides the recommended Community Improvement Plan Project Area (CIPA) boundary. The CIPA will include all lands that are designated for residential, commercial and commercial-

mixed within the Official Plan. However, the uses are limited to those residential and/or commercial uses which meet the minimum eligibility criteria and restrictions set out in this CIP.

There are some of key differences in the Attainable Housing and Mixed-Use CIP versus the existing Beamsville, Vineland and Mixed-Use CIP. They include:

- A wider range of attainable housing incentive programs to encourage the creation of attainable housing in the form of one unit through a secondary dwelling unit on a parcel to larger scale development;
- Given changing market conditions which support higher density development, ***stand-alone residential development will not be incentivized unless the development includes attainable housing.*** Where the residential development includes attainable housing, ***financial incentives will only be provided for those units that meet the definition of attainable housing in the CIP;***
- For residential units within a ***mixed-use*** development, financial incentives will ***only be provided for those units that meet the definition of attainable housing*** in the CIP;
- Each of the attainable housing financial incentive programs include conditions to ensure the rental units ***remain affordable*** for a specified time period;
- For attainable ownership units, a timeframe to maintain ownership by the first purchaser will be required;
- For commercial uses within a mixed-use development, the CIP requires a ***minimum of 80% of the ground floor to contain commercial uses;***
- In order to encourage a higher amount of commercial floor space, where the development includes 80% commercial uses on both the ground and second floors, the project will be provided with a higher tax increment financing grant over the 5 year term;
- In order to encourage the construction of hotels within the commercial designation and keep our tourist dollars in the Town, ***tourist accommodation with a minimum of 30 guest rooms will be provided with a higher tax increment financing grant percentage over the 5 year term;***
- Detailed ***criteria must be met*** to be considered for approval, whereas previously depending on the CIP, other than location, there were no detailed criteria;
- Maximum funding for the tax increment financing grants;
- Changing some of the programs such as development charge reductions to a grant that is an equivalent amount to the development charges payable since development charges are required to fund capital projects and cannot be replaced by charging higher fees on other types of development.

Staff are not asking for endorsement of the draft CIP from Committee at this stage, since the next stage in the CIP review process is further consultation with the public, stakeholders and agencies on the draft CIP.

Although CIPs do typically include a number of incentive programs, there is the option of only activating the programs which best serve the needs of the community. This will be detailed in a subsequent report when the final CIP is presented to Committee. The financial incentive programs contained in this CIP can be activated and de-activated at the discretion of Council and are subject to the availability of funding. As previously stated, Staff are proposing that the new CIP program will not incentivize residential development, rather we going to focus on elements that align with Council's priorities, such as attainable housing (affordable housing).

Minor Changes to the Industrial and Rural CIP

Although the CIP review focused on the Beamsville, Vineland and Mixed-Use CIPs, Staff are recommending some minor changes to the Industrial and Rural CIP. Staff recommend that the development charge reduction incentive programs be changed to development charge reduction equivalent programs similar to that proposed in the draft Attainable Housing and Mixed-Use CIP. Staff also recommend that the tax increment financing grant programs be reduced from 10 years to 5 years in other to address long-term sustainability in accordance with the financial analysis discussed in this report. The percentage of the grant is not being recommended for change since increases in assessment, taxes and industrial and tourism employment as result of development is a high priority in the community. These changes can be addressed through the same public, agency and stakeholder consultation process required for the new Attainable Housing and Mixed-Use CIP.

Heritage Grants

Heritage grants are not included in any of the Town CIPs. They do not need to be included in a CIP since the *Ontario Heritage Act* permits municipalities to offer grants to owners of designated heritage properties to pay for the costs of improvements to those designated buildings. However, no separate funding had been set aside for the grants when the initial grant programs were approved by the Town. Instead the grants were paid out of the CIP fund. It is anticipated that with the continual designation of more properties and the completion of the Heritage Conservation District Study, that there will be more requests for heritage funding. Prior to the approval of a heritage grant, an applicant will be required to obtain approval of a heritage permit from the Heritage Committee. Therefore starting with the 2023 budget, it is recommended that \$20,000 be included in the heritage budget to fund those applications. Any unused funds would be put into a reserve to be used in years where there are more or larger requests for funding.

Financial Analysis

Watson and Associates were retained to undertake a financial analysis of the Town's CIP incentive programs. Their firm completed a review of the Town's applicable current reserve and reserve funds, completed the update to the Town's Development Charges By-law and will be preparing a Community Benefits Strategy and By-law.

Staff provided their firm with a summary of the forecasted development charge reductions and existing CIP yearly funding commitments to 2033 based on approved applications and anticipated completion date. The reasoning for the funding commitments to 2033 for existing applications is because the tax increment financing grants do not start until the property, which includes the new building and individual units, are reassessed by the Municipal Property Assessment Corporation (MPAC). Depending on the scale of the development this can sometimes take 1 to 2 years after the project is occupied. When Finance Staff receives the new assessment, they send out tax bills, including supplementary taxes for previous years. The taxes for the entire project must be determined to commence the grant payments. Depending on the type of application, the existing tax increment financing grants have a term of between 5 and 10 years. The programs within the new CIP are proposed to have a maximum term of 5 years. The reduction in the term of tax increment financing grants means that the Town will benefit from the full taxes payable sooner. Other types of grant applications are paid between 1 and 3 years after the project is completed.

Staff also provided their firm with the anticipated future yearly funding commitments to 2034 for the heritage grant programs, the Industrial and Rural CIP grant programs and the grant programs within the draft Attainable Housing and Mixed-Use CIP.

When the CIPs were initially prepared, tax increment financing grants were to be paid from the taxes collected because of the development, and the development charge reduction grants were to be paid out of the development charges fund. Though development charge reduction grants can be funded from development charge funds, any shortfall in development charge funding is required to be offset from other sources. Historically, development charge reductions were funded or offset from the CIP reserve fund.

The remaining grant programs were to be paid out of the yearly budget and any unused budget funds placed into a reserve and added to the following years budget allocation. To date, the annual budget and the reserves that were built up were sufficient and were used to pay all the grant payments.

Further in 2022, it is expected (based on projections) that the CIP reserve fund will be fully utilized/spent, and the funding allocated to pay for our existing CIP requirements and development charge reductions will be insufficient to meet our financial obligations.

To meet our existing and future obligations for approved CIPs, to ensure our CIP reserve is adequately funded, the development fund has sufficient funds to meet growth related needs and to fund the proposed new CIP, revised Industrial and Rural CIP and heritage grants, additional tax levy funding is required.

There are a few options to address the forecasted financial shortfall and they are as follows:

Option 1 – Address all forecasted pressures through the 2023 budget

Pros

- CIP reserve fund is adequately funded and within approved reserve threshold
- Financial commitments for existing CIPs met
- Funding available to support proposed/revised CIPs
- Development charge funding increased to support growth related projects

Cons

- Proposed increase to the 2023 budget in one year, could be as much as 4%
- Providing this level of funding all at once may impact other priorities or programs
- Funding allocation may not match the actual financial needs – on-going

Option 2 – Fund fiscal pressure for CIPs through the 2023 budget and eliminate CIPs/delay CIPs

Pros

- Significantly lowers the fiscal impact to residents
- Gives additional time to review programs and on-going needs
- Eliminate CIP reserves or requirement to hold funds
- Incremental funding only required for a limited time

Cons

- Moderate increase to the proposed 2023 budget (approximately 1.5 - 2%)
- Delaying or eliminating CIPs may not address the attainable housing needs and may decrease economic development/growth in Lincoln
- Impact to future growth revenue

Option 3 – Address existing CIP forecasted pressures through the 2023 budget, cap new CIP programs, gradually increase CIP reserves and extend horizon on repayment to development charge fund

Pros

- Reduces overall fiscal impact on residents
- Financial commitments for existing CIPs met
- Ensures new CIP programs are funded and with cap ensures financial sustainability
- Supports attainable housing and economic development and growth
- Additional assessment and taxes expected to be generated from CIP program
- Funding for existing CIPs will over time be used to offset development charge repayment and fund the CIP reserve thus reducing the tax burden

Cons

- Moderate increase to the proposed 2023 budget - (1.5-2%)

Recommendation – Option 3

When looking at the existing CIP financial forecast, the reserve balance, and longer-term objectives to support attainable housing and economic development and growth in the

Town a balanced approach should be taken. At the same time consideration needs to be given to the financial impact on residents, on-going needs and opportunities to both control costs and ensure Town programs are adequately resourced. It is recommended that:

- New programs have an annual cap. This ensures the funding requirements are known, manageable and do not create new pressures
- Utilizing/repurposing the monies no longer needed to offset existing CIPS once the obligation is met gives the flexibility to repay the development charge fund, slowly increase the CIP reserve to the approved threshold and finally offset new some of the CIP program financial needs.

We have an obligation to pay our existing CIP obligations and it appears we have a continuing need to continue to offer some CIP programs in the community. The Town cannot shirk its obligation to existing commitments and as such will be required to increase the financial offset for the existing CIPs through the 2023 budget or alternatively reduce other programming to offset the costs. It is believed focusing and targeting new CIP programs that align with Council priorities with financial limits will ensure the programs reduce the financial impact/burden on our residents and support attainable housing and targeted growth in the community.

If approved, the financial impact would be an estimated \$250,000 increase. If applied to the 2022 levy it would be a 1.5% - increase. This would equate to approximately \$28 a year for a \$500,000 home.

Next Steps

Seek Council endorsement of the financial request both for existing CIP obligations and future programs in the 2023 budget.

Financial, Legal, Staff Considerations:

Financial:

As part of any CIP, the Town must be satisfied that its participation in the improvements and incentives offered are within the financial capability of the Town. The Town allocates funds annually through the operating budget to fund the CIP program. Any unused funds at the end of the year are transferred to the CIP Reserve Fund to be used in years where there is a higher volume of CIP payments. As of part of the CIP review a financial analysis has been undertaken to ensure financial stability over the long-term.

Staffing:

There are no additional staffing requirements anticipated as a result of the consideration of this report.

Legal:

There are no legal costs anticipated as a result of the consideration of this report.

Public Engagement Matters:

A Speak Up Lincoln CIP Project Page for the CIP review was set up on Nov. 30, 2021. The page included a survey for the public and one for the business community in order to obtain initial input regarding CIPs and the incentive programs. The purpose of the public survey was to determine the needs of the community. The purpose of the business community survey was to solicit some general economic development information and to gauge the business community's views on the programs and potential changes. The BIA, Chamber of Commercial, CIP Applicants, Builders/Developers and Consultants were contacted by email in early Dec. 2021 asking them to complete the survey. The Housing and Homelessness Community Partnership Committee members were also advised of the survey since one of the needs in the community is affordable housing.

The survey was open until Jan. 14, 2022. The site received 142 visits as of Jan. 19, 2022. Of the 142 visits 42 responses were received for the public survey and 6 responses were received for the business survey. A summary of the public responses was included in Appendix D of AD-02-22 a summary of the business community responses was included in Appendix E of AD-02-22.

On Mar. 8, 2022 Staff provided for information a memo to the Housing and Homeless Community Partnership Committee outlining the draft CIP financial incentives for affordable housing. The Staff memo was subsequently reviewed by a working group of the Committee and by the full Committee on Apr. 12, 2022. The Committee discussed the funding and the timeframe for attainable housing units to remain affordable.

On Mar. 31, 2022 a consultation session was held with stakeholders to outline the purpose of the CIP review and to provide information on the draft incentive programs. Members from Developers/Builders, Consultants, the Chamber of Commerce, the BIA, the Housing and Homelessness Community Partnership Advisory Committee and applicants of previous CIP applications were invited to attend the session. Copies of the presentation by Staff were provided to the group following the session.

Staff undertook some preliminary consultation with the Regional Staff regarding the draft incentive programs. They suggested some minor changes for clarity and advised that detailed comments would be provided when the full draft of the CIP is available for comment.

The next step in the process is to solicit input from the public, stakeholders, the Region, the Ministry of Municipal Affairs and Housing, and the Housing and Homelessness Community Partnership Advisory Committee. A formal public meeting is also required prior to approval of the new CIP or any changes to an existing CIP by Council.

Conclusion:

This report provides a draft of the new Attainable Housing and Mixed-Use CIP to replace the Beamsville, Vineland and Mixed-Use CIPs. The draft CIP includes new incentive programs for attainable housing to encourage the construction of affordable housing, in particular affordable rental housing. The draft CIP also includes new incentive programs to encourage commercial development and a higher ratio of commercial floor space within mixed-use development. The existing Beamsville, Vineland and Mixed-Use CIPs have provided positive results for the Town, including improvements to existing buildings, the construction of new buildings, an increase in the housing mix such as apartments, the creation of new commercial floor space and new business offerings, and additional jobs in the community. However, a new CIP with new targeted and updated incentive programs are required to bring the incentive programs into alignment with Council priorities, as well as address best practices, the needs of the community and address fiscal responsibility. Staff are recommending that the new CIP program no longer incentivize residential development, rather our new CIP will be targeted and focus on Council's priorities, such as attainable housing (affordable housing) and, attracting investment and job creation.

In order to ensure that there is continued positive results from our CIP programs, this report also recommends some changes to future budgets to ensure that funding can be sustained to support our CIP programs.

As outlined in this report, Staff are not asking for endorsement of the draft Attainable Housing and Mixed-Use CIP from Council at this stage since the next stage in the CIP review process is further consultation with the public, stakeholders, the Region, the Ministry of Municipal Affairs and Housing, and the Housing and Homelessness Community Partnership Advisory Committee on the draft CIP, the incentive programs, funding for those programs, and the project evaluation criteria.

Respectfully submitted,

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Appendices:

Appendix A Draft Community Improvement Plan

Report Approval:

This report has been reviewed by the Director of Planning and Development and the Director, Economic Development and Communications. Final approval is by the Chief Administrative Officer.