

West Lincoln

Your Future Naturally



Smithville

The Township of West Lincoln

*Affordable Housing Community
Improvement Plan*

April 2026

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1 Introduction

The Township of West Lincoln is facing an increasing gap in household income and housing costs. Along with limited rental availability and a high cost of living, the Township can use a Community Improvement Plan (CIP) to encourage a diverse mix of housing options, particularly for low-to-moderate income households. This proposed Affordable Housing CIP will provide the Township with a toolbox of options that can be used to meet the Township's housing goals.

1.1 Defining a Community Improvement Plan (CIP)

A CIP is a tool that the Township of West Lincoln can use to improve the community. It provides the Township with the opportunity to offer grants or other forms of financial and non-financial support to meet local goals. A CIP can also provide the foundation to partner with local residents, developers, and community organizations to reduce financial barriers in building a range of housing options, including affordable housing and adding Additional Residential Units (ARUs).



2 Creation of the Affordable Housing CIP

To launch the creation of this CIP the Township hosted an online survey in October 2025 to gather community feedback and identify current housing challenges impacting residents. A background report was prepared in December 2025 to support the creation of this Affordable Housing CIP. The report discussed the current legislative context, including Provincial, Regional and Local policies, options for incentive programs, CIP best practices and case studies, and drafted the vision and goals for this CIP.

The background report was made available online to the public in January 2026 and a local, in-person engagement session on January 14 followed. Feedback from public engagement, Council, and the Ministry of Municipal Affairs and Housing has informed the creation of the Township of West Lincoln's Affordable Housing CIP.

2.1 Legislative Authority

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.

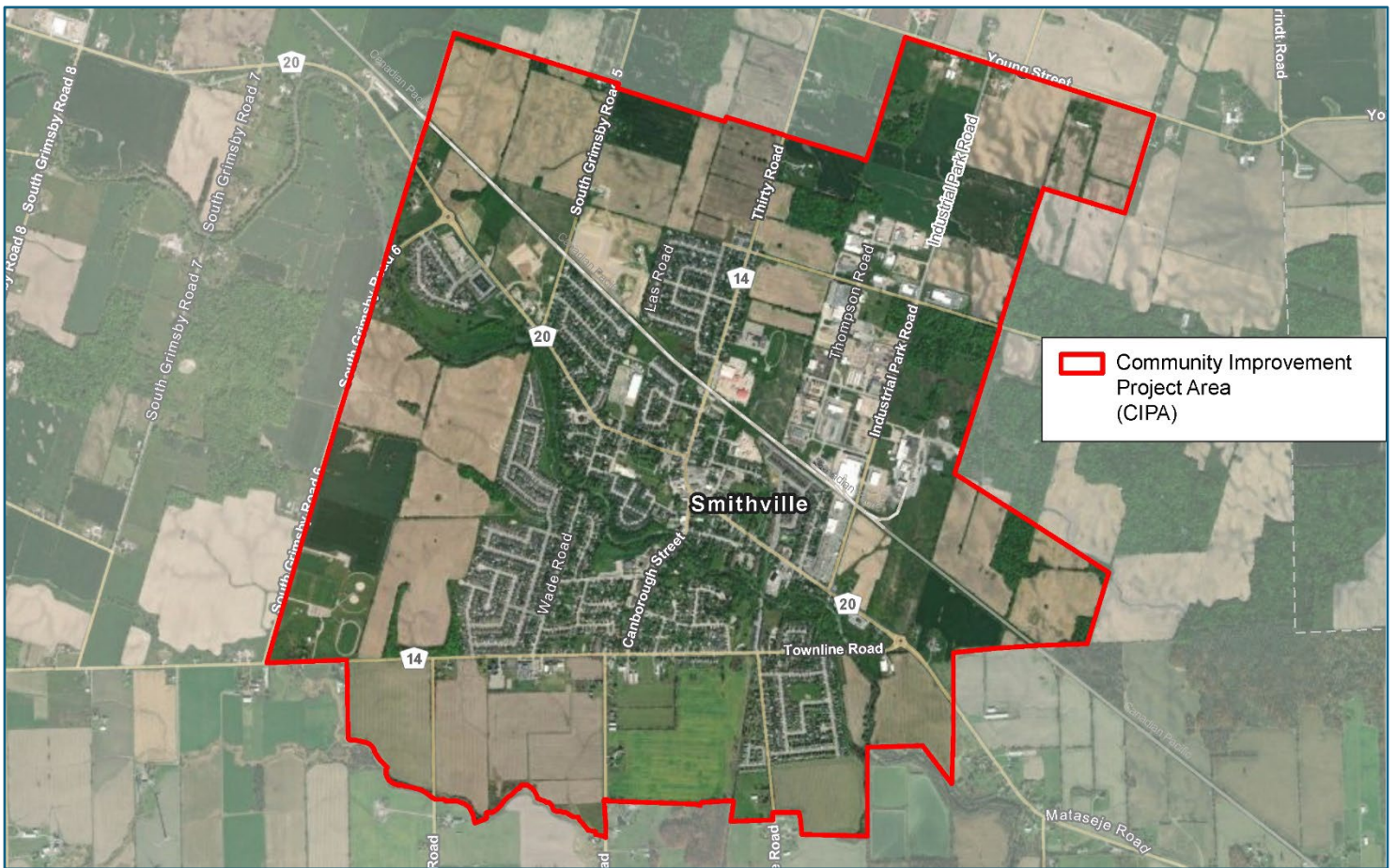
The Township's Official Plan outlines its directions for Community Improvement Policies in Section 18.10, including the criteria for implementing a Community Improvement Project Area (CIPA). This Affordable Housing CIP encourages redevelopment of the existing built environment and contributes to coordinated public and private community improvement.

The Affordable Housing CIP is designed to conform with current Provincial, Regional, and Local legislation and policies.

3 Community Improvement Project Area

The Affordable Housing CIP applies to the whole of Smithville, with its boundaries aligned with the boundaries of the designated urban area of Smithville (see *Schedule 1*). The Community Improvement Project Area (CIPA) is established through a separate By-law and administered separately from the CIP. This allows for the adjustment of CIPA boundaries without amendment to the CIP itself, but through Township amendment to the CIPA By-law itself. Any changes to the geographic area of the Affordable Housing CIP will be made through a public process.

Figure 1: Community Improvement Project Area Boundary



4 Vision, Goals, and Objectives

The Township is building towards complete communities that offer a diverse range of affordable housing options that will meet the needs of current and future West Lincoln residents. The vision of this CIP is:

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

This Affordable Housing CIP will support the creation of affordable housing units through the following goals and objectives:

► **Expand the Supply of Affordable Housing in Smithville**

- Support the development of new affordable 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 residential units (ARUs) and secondary suites.

► **Diversify Housing Options to Serve All Ages and Stages**

- 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.

► ***Reduce Barriers to Affordable Housing Development***

- 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 non-profits, private developers, and other levels of government.

► ***Encourage Resident Participation in Housing Solutions***

- 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.

► ***Maximize the Impact of Municipal Funding***

- 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.



5 Financial Incentive Programs

As part of the Township's Affordable Housing CIP, the Township may utilize any of the programs listed below. These financial incentive programs are subject to available funding, the Township's capital budget, and other available resources.

Applicants may be eligible to apply for more than one incentive program for a single project where the project meets the eligibility requirements of each program. However, the Township may establish a maximum funding amount per property or per project through the applicable program application forms, to ensure fair distribution of available funding.

Costs that are incurred by the applicant prior to the submission of an application shall not be considered for funding.

To be eligible for any of the incentive programs listed in this CIP, applicants must meet the following criteria:

- a) The lands and buildings specified in the application must be located within the By-law designated CIPA.
- b) Applicants must be the registered homeowner or property owner or have written authorization from the owner to apply for any programs in this CIP.
- c) 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. This may be done in accordance with the incentive program's application form.
- d) 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).
- e) Proposed projects must comply with applicable zoning, building codes, and planning requirements or demonstrate a clear pathway to obtaining required approvals.

- f) 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.
- g) 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 ARUs.
- h) Properties that are participating in any financial incentive program must be in good standing with the Township at the time of application, and should not have outstanding property tax arrears, unresolved property standards issues, or building orders.

5.1 Municipal Fees Grant Program

A municipal fee grant program to reduce the costs of creating *affordable housing* by providing a grant through the form of a rebate to cover municipal planning and building fees for eligible projects, encouraging homeowners, landlords, non-profits, and developers to bring forward applications that add to the local housing supply. Eligible projects include *affordable housing* projects approved for financial assistance under either a Canada Mortgage and Housing Corporation (CMHC), Federal, Provincial or Regional housing development program for the purposes of incorporating new affordable rental housing. Providing a grant to cover the costs of municipal fees does not ensure the project will be approved by the Township.

Eligible Costs: Up to 100% of the costs incurred to seek approvals for affordable housing providers and non-profits to develop new affordable housing units, specifically Township Planning Application Fees and Building Permit Fees.

5.2 Additional Residential Unit (ARU) Grant

A grant to support 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.

Eligible Costs: Up to \$5000 of the costs incurred to construct or convert an ARU where permitted. This includes legalizing and/or bringing up to code existing basement ARUs.

5.3 Accessible Design Top-Up Grant

A top-up grant to incorporate a universal or barrier-free design within a new residential unit (e.g. apartment, ARU, secondary suite) receiving one of the other financial incentives in this CIP. The grant would be available to landowners for creating new housing units in a way that is designed for accessibility beyond the minimum standards of the Ontario Building Code. This grant would be provided to the applicant upon proof of completion of construction of the new accessible unit.

Eligible Costs: Up to \$3,000 of the costs incurred on design and construction of an accessible or barrier free unit.

5.4 Family-Sized or Seniors' Unit Top-Up Grant

A top-up grant for projects receiving one of the other financial incentives in this CIP. This grant 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.

Eligible Costs: Up to \$1500 of the costs incurred for the construction of a family-sized or seniors' unit, as defined in this CIP.

5.5 Home Upgrade Support Grant

A grant to assist eligible homeowners with minor home upgrades when such improvements are necessary to accommodate new affordable or attainable units.

Eligible Costs: Up to \$1500 of the costs incurred to upgrade home services to accommodate the addition of affordable dwelling units to existing residential homes. Upgrades could include upsizing water connections, improving electrical capacity, or upgrading HVAC systems.



6 Non-Financial Incentive Programs

In addition to the financial incentives outlined above, the Township may use other non-financial incentive programs that are developed as part of the Township's CIP.

6.1 Education and Capacity-Building Workshops

The Township may consider providing 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.

6.2 Housing Concierge / Client Support Service

To support homeowners interested in creating Additional Residential Units (ARUs), the Township may offer a dedicated staff contact to guide applicants through approvals, help troubleshoot issues, and streamline the application and permitting process. This concierge service intended to assist applicants in navigating municipal processes. It does not include the preparation of applications, drawings, or technical studies, nor does it involve securing approvals for funding on behalf of the applicant. Applicants remain responsible for preparing and submitting all required materials and retaining any necessary professional services.

6.3 Housing Reserve

The Township may consider establishing an annual reserve fund dedicated to supporting housing initiatives that require additional funding beyond what is available through the existing CIP program budgets. This reserve can act as a safety net for projects that address urgent housing needs, ensuring that financial barriers do not hinder the development of essential affordable units.

7 Implementation Plan

The Affordable Housing CIP will require the allocation of municipal resources and staff time to effectively implement.

7.1 Implementation Period

The Affordable Housing CIP is planned to be implemented over a five-year period, beginning in April 2026. Council may choose to open an application period for a specified amount of time (e.g. from January to March annually) or accept rolling applications and review them on a first-come, first-served basis, closing the application period when available funding is exhausted.

Council may choose to review the implementation period at any time, revising it through an amendment to the CIP. Council shall review the Affordable Housing CIP as appropriate and consider continuing the funding of the financial incentive programs through the municipal capital budget process or alternate funding opportunities.

7.2 Administration

The roles and responsibilities of the Township Council for implementing this Affordable Housing CIP include:

- a. **Establishing the Active Financial Incentive Programs:** Council may choose which incentive programs are active for any given year, and each program's duration.
- b. **Recognize an Annual CIP Budget:** Annually, Council will be responsible for determining the community improvement budget for each active incentive as part of the annual municipal budget process.
- c. **Designate a Plan Administrator for the CIP:** Council shall delegate responsibility for the CIP and its implementation to the Director of Growth and Sustainability, or designate.

Once the above steps have been met by Township Council, responsibility for the CIP and its implementation will rest with the Plan Administrator. The Plan Administrator is an assigned Township staff member, responsible for:

- a. Conducting pre-application meetings with interested applicants to discuss eligibility;
- b. Reviewing incentive applications for approval or refusal;
- c. Marketing the CIP;
- d. Monitoring the CIP and providing update reports to Council which provide data on CIP uptake, including project costs and resulting benefits;
- e. Providing recommendations on incentive programs, including timelines and budgets, to Council; and
- f. Providing reasons for application refusal or approval in the form of a staff report in the case of an appeal.

The Plan Administrator will accept applications and distribute financial incentives as approved by Council on a first-come, first-served basis until funding for that year has been fully allocated. Alternatively, the Plan Administrator may set an annual or bi-annual deadline for application submissions, with all applications evaluated according to that deadline. In cases where an application is refused or accepted, the applicant has a right to appeal the decision to Council who may then make a decision on whether to approve or refuse the application. If the decision is appealed to Council, a staff report will be prepared to outline the Plan Administrator's decision.

7.3 Applying for Incentives

Both the applicant and the Plan Administrator must follow the steps outlined below for submitting, processing, evaluating and approving or denying a CIP application. A property owner may apply for more than one incentive program for the same project where eligibility requirements are met. However, the Township may establish limits on the number of applications per property within a given year and the total funding available per project through the program guidelines or financial agreement.

An applicant is required to take the following steps:

- a. Book a pre-application meeting with Township staff to go over requirements for the application;

- b. Use the appropriate application form to submit the application and any other necessary documentation to the Township;
- c. The applicant must be the registered property owner or have written consent from the registered property owner;
- d. The application will be reviewed by the Plan Administrator for completion and compliance with general and program-specific eligibility requirements;
- e. If approved:
 - i. Municipal Fees Grant Program: the applicant will be notified, enter into a financial agreement with the Township and may begin work, with the grant being paid out at time of occupancy permit;
 - ii. Additional Residential Unit (ARU) Grant: the applicant will be notified, enter into a financial agreement with the Township, with funding payable to the applicant upon proof of completion;
 - iii. Family-sized or Seniors' Unit Top-Up Grant: the applicant will be notified and enter into a financial agreement with the Township, with funding payable to the applicant upon proof of completion;
 - iv. Accessible Design Top-up Grant: the applicant will be notified, enter into a financial agreement with the Township, with funding payable to the applicant upon proof of completion;
 - v. Home Upgrade Support Grant: the applicant will be notified, enter into a financial agreement with the Township, with funding payable to the applicant upon proof of completion;
- f. If rejected, the applicant may appeal to Township Council; and
- g. When the applicant has completed the project, they must submit a statement of project completion to the Township.

The Plan Administrator is required to take the following steps:

- a. Conduct pre-application meetings with interested applicants to confirm application processes, eligibility and requirements for a complete application (e.g. documentation, studies, plans);
- b. Review and evaluate submitted applications and supporting materials for approval or refusal;
- c. Inform applicants of their application status (e.g. approved, rejected, pending);
- d. Review statements of project completion.

Note: The Township reserves the right to inspect any property and building, or audit final costs at the owner's expense. Further, should the applicant fall into default of any of the requirements of the incentive program or other requirements established by the Township, incentives may be delayed, reduced, or cancelled. Applicants may be required to repay benefits to the Township.

7.4 Application Requirements

Applications for the incentives provided through the Affordable Housing CIP are required to meet the following requirements, as outlined below:

- Submit a copy of a signed and completed application form and any other supporting documents, as required by the Plan Administrator including:
 - A statement describing how the proposed project meets CIP goals and objectives;
 - Photographs of the existing buildings or property condition;
 - Where available, historical drawings or photographs;
 - Building permit or site development application;
 - Design drawings, rendering, elevation, grading, or any other specifications of the proposed project, as determined by the Township and prepared by a qualified professional;
 - A minimum of three cost estimates for the proposed project work, done by a licensed consultant or contractor;
 - A detailed budget for the proposed project;

- Any additional documentation or information deemed necessary by the Plan Administrator as determined during the pre-application meeting.

Application requirements will be outlined in a tailored application form for each financial incentive program. Once an application has been approved, the landowner will be required to enter into a financial or legal agreement with the Township to implement the incentive program requirements and may be required to register the agreement on title. Registration on title may be required for projects receiving funding for the Municipal Fees Grant Program to ensure the affordability requirements of the program are secured.

The Township is not responsible for any costs incurred through the preparation of an application for any of the financial incentive programs, or the costs for the preparation or registration of any required agreement(s) on title.

7.5 Plan and By-law Amendments

When there is an identified need for amendment to this Plan or its implementing By-law, Township Council must approve these changes through an amendment to the CIP and/or implementing By-laws.

An amendment to the CIP will not be required to:

- a. Reduce funding levels for the financial incentive programs;
- b. Discontinue or cancel any of the programs identified.

An amendment will be required to the CIP and/or implementing By-laws to:

- a. Redefine the Community Improvement Project Area;
- b. Extend the implementation period of the CIP;
- c. Increase the maximum funding levels of the financial programs; and/or,
- d. Add any new financial incentive programs.

Changes to program eligibility requirements may be made administratively, through the updating of the applicable CIP application form.

8 Monitoring Plan

The purpose of the Monitoring Plan is to ensure that CIP programs are receiving uptake, creating benefits, and determine whether the CIP vision, goals and objectives are being reached. The Monitoring Plan will assist in:

- Tracking and identifying allocated CIP funding and where in the community it has been applied for;
- Assessing the completion of the CIP vision, goals and objectives to evaluate program strengths and areas for improvement;
- Considering whether changes or amendments to program criteria, eligibility, finances, or the CIP and/or CIPA itself should be made; and
- Tracking CIP Financial Incentive Program uptake and results for Council review.

As part of the CIP reporting process, data will be collected on an on-going basis during implementation to keep Township staff and Council up to date on CIP application statuses, funding amounts, and outcomes of the CIP. On-going data collection will include:

- a. Successful Applications:** number of applications, incentive programs applied for, approved value of grants by program, approved value of grants total, project completion timing and payments, project completion photos, and property tax assessment after completion of project (if relevant).
- b. Promotional and Marketing Tracking:** number of outreach activities, website visits, inquiries received, and social media engagements.
- c. Economic and Community Outcomes:** number of units of housing created, by type and level of affordability.

8.1 Annual Reporting

The Plan Administrator will be responsible for the creation of an annual report to Township Council which summarizes the data collected on the CIP uptake and successes, as described below.

1. Expand the Supply of Housing in Smithville

- Number of new housing units and ARUs created.
- Percentage of affordable housing share in the Township.
- Percentage of affordable owner-housing.
- Percentage of affordable renter-housing.

2. Diversify Housing Options to Serve All Ages and Stages

- Number of new seniors' units created.
- Number of new family-sized units created.
- Number of new housing units created by housing type.
- Total value given to the Family-sized or Seniors' Units Top Up Grant and Accessibility Top Up Grant programs.

3. Reduce Barriers to Affordable Housing Development

- Record length of time from the receipt of an application for an affordable housing unit to the date of approval.
- Overview of partnerships created as a result of a CIP program application.

4. Encourage Resident Participation in Housing Solutions

- Number of applications completed annually.

5. Maximize the Impact of Municipal Funding

- Monitor the total allotment of funding annually and the amount provided to incentive applications.

This report may include, but is not limited to, case studies, landowner and tenant feedback, how the CIP's goals/objectives are being met, recommendations for adjustments of programs or budgets, or recommendations for amendment.

9 Marketing Plan

The Marketing Plan is a set of recommendations for how the Township may choose to promote uptake of the Affordable Housing CIP and its incentives. The Marketing Plan identifies target markets, materials for marketing, and potential strategies to be used by the Township.

9.1 Target Markets

The following groups have been identified as target markets for the CIP:

- Affordable Housing providers;
- Homeowners and property owners within the CIPA;
- Non-profit organizations;
- ARU construction companies or vendors;
- Housing developers and real estate professionals; and
- Investors (individual or organizations) who wish to invest in the Township of West Lincoln or enhance investments through the programs offered.

9.2 Marketing Materials

The following materials and programs may be utilized by the Township to promote the CIP:

- **Direct outreach to developers and housing providers:** such as email newsletters, presentations tailored to organizations, information packages delivered to developer and housing provider offices, and one-on-one meetings to discuss the CIP and how they can benefit from it.
- **Information sessions or workshops:** such as hosting workshops and other events dedicated to promoting the uptake of the CIP and include information such as panels, banners, or other displays at municipal buildings and community and Township-led events to promote the CIP.

- **Partnerships with local organizations:** such as collaborating with community groups or individuals interested in housing advocacy to bring the CIP to a wider audience and amplify the outreach and engagement.
- **Online resources and guides:** such as a section of the Township's website dedicated to the CIP, social media campaigns showing project successes and opportunities to engage with the CIP, and accessible digital packages detailing CIP information.



10 Definitions

Additional Residential Unit (ARU) means a self-contained dwelling unit with a private kitchen, bathroom facilities and sleeping areas within a single detached, semi-detached or townhouse dwelling, or a building or structure ancillary to a single detached, semi-detached or townhouse dwelling.

Affordable Housing means:

In the case of ownership housing, the least expensive of:

- 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
- Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the municipality;

In the case of rental housing, the least expensive of:

- A unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or
- A unit for which the rent is at or below the average market rent of a unit in the municipality.

Community Improvement means the planning or replanning, design or redesign, resubdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefor, as may be appropriate or necessary, as defined in the Planning Act, 1990.

Community Improvement Plan means a plan for the community improvement of a community improvement project area, as defined in the Planning Act, 1990.

Community Improvement Plan Area means a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason, as defined in the Planning Act, 1990.

Eligible Costs means 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, as defined in the Planning Act, 1990.

Family-Sized Unit means a unit that is designed to accommodate a family, including multi-generational families, with a minimum of 3+ bedrooms.

Seniors' Unit means a unit specifically designed for older adults (ages 65+) with age-friendly and accessible features.

Township means the Corporation of the Township of West Lincoln.

Schedule 1: Affordable Housing Community Improvement Project Area

