

Staff Report

Presented By: Kristen Sears, Planning Policy Coordinator

Meeting Date: March 9, 2025

Subject: Housing Update to the Community Improvement Plan

Attachment(s): Saugeen Shores Community Improvement Plan Policy- Schedule B
Saugeen Shores Community Improvement Plan Update - Presentation

Recommendation

That Council receive the Housing Update to the Community Improvement Plan report for information.

Report Summary

One of the Housing Accelerator Fund (HAF) initiatives is to complete a comprehensive review of the Community Improvement Plan (CIP) to identify and evaluate additional housing-related incentives for potential implementation. The goal is to better support community needs and advance the Town's housing objectives. This report identifies the programs the Town intends to implement within the HAF timeframe in December 2028.

Background/Analysis

The Town received funding through the Housing Accelerator Fund (HAF) program to undertake a comprehensive review of its existing [Community Improvement Plan \(CIP\)](#). The purpose of this review is to identify and assess potential housing-related incentives that could further support community needs and advance local housing objectives.

This initiative is one of eight projects being implemented under the Housing Accelerator Fund and represents a key component of the Town's ongoing efforts to increase and diversify the attainable housing supply within Saugeen Shores.

The funding will operate as one pot of funds in which each of the recommended CIP incentive programs can pull from to ensure that the funding is spent over the identified HAF spending period. Programs will be offered only for the duration of the Housing Accelerator Fund concluding on December 6, 2028 or until all allocated funding for this initiative is spent. Any costs or revenue associated with this report will be funded entirely by the Grant.

The recommended incentive programs have been reviewed by the Finance Division.

Existing Community Improvement Plan- Housing Incentive Programs

A comprehensive update to the Towns CIP was approved in 2024 to better align financial incentive programs with strategic priorities by the Town and County of Bruce.

Priorities included:

- Revitalization of storefronts and streetscapes in Port Elgin and Southampton;
- Expansion of affordable and attainable housing options;
- Identification and renewal of vacant and underutilized properties; and
- Support for agricultural initiatives.

For ease of reference, the existing housing-related programs can be seen attached to this report.

Community Improvement Plan Update - Housing Incentive Programs

While the current CIP does encourage revitalization and housing development, the review identifies opportunities to expand the Town's housing-related incentives to further support and facilitate housing development.

The objectives of the CIP Review are to:

- Assess the effectiveness of the 2024 CIP in meeting housing and revitalization goals.
- Identify opportunities to strengthen financial incentive programs that support affordable and attainable housing.
- Ensure alignment with County and Town housing strategies, legislative requirements, and best practices.
- Provide Council with a clear implementation roadmap for program delivery and monitoring.

A review of potential programs is offered below for consideration. Together, these options provide a comprehensive suite of incentives that can be adapted to meet evolving housing needs and are consistent with programs observed in other municipalities receiving HAF funding.

At the end of this period, a comprehensive review could be conducted to evaluate the programs' success and determine the feasibility of implementing them on a permanent basis. The following table summarizes the suite of recommended incentives, and input is being sought prior to preparing an amended Draft CIP.

1. Development Charge (DC) Grant

Description

To provide assistance for the development of Purpose-Built Rental Housing by further reducing the cost of development related to Development Charges (DCs). Purpose-built rental developments are those in which the units are clearly intended to be rented (i.e. as opposed to ownership).

Applicable Area

Serviced land within designated urban settlement areas in the Town that is zoned to allow residential uses.

Financial Assistance

Grant is equivalent to a maximum of 50% of Development Charges levied by the Town or a maximum of \$150,000 whichever is less.

Eligibility

- Purpose built rental units within low or medium density developments.
- Not applicable to additional residential units (ARUs).

2. Additional Residential Unit (ARU) Grant**Description**

To encourage the construction of a basement apartment, garden suite, upstairs apartment, or a living space within an existing secondary structure on a property by providing a grant to cover a portion of the capital construction costs.

Applicable Area

Serviced land within designated urban settlement areas in the Town that is zoned to allow residential uses.

Financial Assistance

Grant funding for up to three ARUs (up to \$30,000 total). Maximum assistance structured as follows:

- one (1) unit – \$5,000;
- two (2) units – \$7,500 per unit; and
- three (3) units – \$10,000 per unit.

Eligibility

- The primary dwelling unit on the property is owner-occupied.
- Eligible properties must be zoned to permit single detached, semi-detached, or rowhouse dwellings, as applicable to the form and location of the proposed ARUs, in accordance with the Development Charges Act, 1997.

3. Missing Middle Grant**Description**

To improve the financial viability of developing “missing middle” housing forms (semi-detached, duplexes, triplexes, fourplexes, townhouses, low-rise multi-unit dwellings).

Applicable Area

Serviced land within the designated urban settlement area in the Town that is zoned to allow residential uses.

Financial Assistance

Grant funding provided on a per door basis to cover 100% of eligible costs, up to a maximum amount of \$250,000 per project.

- Rental Unit at Market rate – up to \$10,000 per unit.
- Rental Unit at Affordable rate – up to \$25,000 per unit.

- Ownership Unit at Market rate – up to \$5,000 per unit.
- Ownership Unit at Affordable rate – up to \$15,000 per unit.

Eligibility

- Development includes a minimum of 3 units.
- New development, redevelopment, or conversion of properties that result in the creation of net new “missing middle” housing units.

4. Municipal Fees Grant**Description**

A reduction in applicable municipal fees, including planning and building permit fees. Reduced planning and building permit fees may, in concert with other program support, help encourage development efforts by reducing initial regulatory costs.

Applicable Area

Serviced land within designated urban settlement areas in the Town that is zoned to allow residential uses.

Financial Assistance

Planning Application Fees Grant:

- Maximum grant of \$5,000 per property or the cost of the combined eligible planning application fees, whichever is less.
- If affordable units are included, fees related to those units may be waived up to 100%.

Building Permit Fees Grant:

- Maximum grant of \$20,000 per property or the cost of the combined eligible building permit fees, whichever is less.
- If affordable units are included, building permit fees related to those units may be waived up to 100%.

Eligibility

- Program is targeted to Purpose Built Rental units within medium density developments.

5. Surplus Municipal Lands Program**Description**

Assistance to non-profit developers looking to produce Affordable Housing on surplus Town-owned lands by way of land disposal at below market value through a Request for Proposal (RFP) process.

Applicable Area

Serviced land within designated urban settlement areas in the Town that is zoned to allow residential uses. Properties located near essential services and employment hubs may be prioritized for development due to their strategic advantages.

Financial Assistance

Determined on a case-by-case basis.

Eligibility

- Non-profit housing developers may qualify for a low-cost purchase of surplus Town-owned land, subject to Council approval. As part of the Request for Proposal (RFP) process, eligible developers must present their proposals to the Town.
- To safeguard the Town's commitment to affordability, any sale of Town-owned land will be conditional upon the development of Affordable Housing on the designated site.

Implementation Guide

In addition to the programs being recommended for potential inclusion in the CIP, an implementation guide will also be provided and is intended to ensure consistency, transparency, and clarity in program delivery, helping both staff and stakeholders understand how the initiatives will be implemented and maintained over time.

The comprehensive guide will provide the following information:

- Program details and internal implementation guidance;
- Eligibility criteria;
- Funding structures;
- Application processes;
- Monitoring requirements; and
- Compliance mechanisms.

The programs developed will be designed to reflect best practices from other Ontario municipalities while being tailored to Saugeen Shores' local housing needs and policy priorities.

The promotion and marketing of such programs will be critical to ensure the spending of HAF money by December 6, 2028.

Next Steps

With Council input on the recommended additional programs in the Community Improvement Plan, the Town, in collaboration with Sierra Planning Management (SPM), will prepare a draft plan with implementation guidelines and return to Council for a public meeting.

This initiative is intended to facilitate housing development and support the municipality's goals of increasing housing supply, promoting affordability, and enhancing overall community livability in Saugeen Shores.

Connecting the Pieces of HAF

This initiative is one of eight initiatives of the HAF and is considered one important piece of the puzzle in facilitating affordable housing supply in Saugeen Shores.

Other initiatives being advanced through the Housing Accelerator Fund (HAF) include the following:

1. Community Planning Permit System and Nodes and Corridor Study
2. Affordable Housing Community Improvement Plan

3. Official Plan and Zoning By-law Amendment to Enable Inclusionary Zoning
4. Incentive Tools
5. Property Repurpose Utilization Program
6. Affordable Housing Partnerships Program
7. Consolidated Linear Infrastructure Environmental Compliance Approval
8. Saugeen Shores Ready-to-Build Housing Designs

With Council's input and the eventual approval of the updated Community Improvement Plan (CIP), the Town will be one step closer to achieving its housing objectives and implementing practical, affordable housing solutions for the community.

Upon completion of this project, the Town will have successfully completed 50% of the initiatives identified under the Housing Accelerator Fund program.

Any costs or revenue associated with this report will be funded entirely by the Grant.

Linkages

- Strategic Plan Alignment: Pillar 1: Meeting the Needs of a Growing Community
- Business Plan Alignment: Development Services Division Highlight

Financial Impacts/Source of Funding

No costs or revenue is associated with this report.

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