6 CIP Programs, Monitoring and Marketing

Review of Comparable Communities

A review of Community Improvement Plans in comparable communities outlined in the table below describes the variety of priority programs available for a municipality to use. The comparison summarizes the policy tools each municipality has in place. Budgets change from year to year, so each municipality's ability to fund the CIP incentives is an annual decision of Council.

Incentive	Bracebridge	Burks Falls	Gravenhurst	Huntsville	Penetang.
Affordable/Attainable Housing					✔
Façade Improvement	✔	✔	✔		✔
Fee or Development Charge Rebates		✔	✔	✔	
Landscaping / Property	✔		✔		
Professional Fees Grant		✔	✔		
Residential Rehabilitation	✔		✔		
Signage	✔	✔	✔		✔
Structural / Building Improvement	✔		✔		✔
Tax Increment Grant	✔	✔		✔	

Incentives in Comparable Communities

Emerging Trends

Municipalities are including new concepts for incentives to encourage private-sector reinvestment, especially where it will enhance the public realm and build the overall vitality of the community. The following is a summary of some of programs in other communities related to housing, industry, waterfront and property improvements..

- **Barrie Affordable Housing Development Grant Program:** This program aims to create a mix of unit types across the continuum of affordable housing options, geared towards the low and low to moderate income households.
- **Brantford Greyfields Community Improvement Plan:** This program is aimed at converting former retail and institutional uses by incentivizing mixed use, multi-storey residential infill and redevelopment.
- **Cambridge Affordable Housing Community Improvement Plan:** This program has preserved or created more than 3,000 affordable units to date.
- **North Grenville Tax-Increment Equivalent Residential Grant:** This program supports the development/intensification of residential (stand-alone or as part of mixed-use developments) in downtown Kemptville.
- **Worker Housing:** Accommodation for employees has also been the topic of study for municipalities, for example:
  - Southern Georgian Bay Tourism Industry Workforce Housing Research and Business Case
  - Tofino Seasonal Workers Housing Action Plan

Industry Stimulus

- **Amherstburg Building and Accommodation Grant Program:** This program is aimed at rehabilitation, redevelopment, or development of overnight accommodation uses and other uses which support the tourism sector.
- **Lucan Biddulph Industrial Stimulus Program:** This program supports private investment geared to the creation of jobs and diversification of the local economy by incentivising exceptional projects.
- **Wellington County Invest More Grant:** This program aims to develop more rooftop patios/ outdoor dining spaces, privately owned publicly accessible spaces, and Bed and breakfast accommodations.
- **Windsor Business Development Grant:** Project must create a minimum 50 new jobs within the manufacturing sector or more than 20 jobs within any other targeted sector(s).

Waterfront

Public access to waterfront has become a focus of some Community Improvement Plans. Some municipalities have advanced funding for boat slips.

- **Kawartha Lakes Marina Slips:** Given that the Kawartha Lakes are part of the Trent-Severn Waterway, this program encourages the development of additional temporary docking spots for boaters travelling to/through the Community Improvement Plan area.

Public / Private Space Links

- **Sarnia Landscape and Property Improvement Program Grant:** This program funds landscaping improvements, pedestrian connections, sidewalk cafes/patios and other improvements that can contribute to enhancing the public realm; installation of alternative ground cover treatments; re-sodding; installation or improvement of pedestrian walkways; tree planting; installation or improvement of a permanent sidewalk café or patio; installation of benches or permanent planters; and services of a professional landscape architect.

Affordable and Attainable Housing Models

Housing availability has become a challenge for many rural communities, especially in terms of attainability for new homeowners, young people, seasonal workers, seniors, and low-income populations that do not qualify for government-funded attainable housing. Attainable housing refers to housing that is realistically achievable by households in the market area. The characteristics of 'attainable housing' are generally seen to be that it is adequate (i.e. in good condition with no major outstanding repairs required); appropriate (in terms of it being large enough to accommodate the household's needs); accessible (i.e., located in areas where a normal range of goods and services is available to the household within reasonable distance); available (that is, a range of housing options is possible to choose from); and affordable. Affordable housing, the last criterion, generally refers to housing that costs no more than 30% of a household's before-tax income.

In response to Council's direction to expand housing supports, further research on attainable housing programs was conducted in 2024. A suite of programs that facilitate all stages of housing development from initial feasibility assessment to the construction and development of housing units to the eventual expansion of those developments with additional units were reviewed. This 'lifecycle' approach ensures the maximum incentive and assistance is available to encourage the development of affordable and attainable housing in the Township.

Three communities were identified that have affordable/attainable housing programs:

- Town of the Blue Mountains
- Town of Goderich
- Town of Penetanguishene

Town of Blue Mountains *Housing Within Reach* Community Improvement Plan

The Town of Blue Mountains is a good precedent for the Township of Muskoka Lakes, having approximately the same population size, relatively high population growth, and hosting a large influx of seasonal residents (which implies a need for housing for workers to serve the visitor and tourists).

The Town of Blue Mountains maintains seven CIP programs geared to promoting affordable housing development. The upper-tier municipality, Grey County, may also provide 'top-up' funding for the implementation of certain of the CIP programs: "Per Section 28(7.2) of the Planning Act, the Council of Grey County may make grants and/or loans to the Council of the Town of The Blue Mountains for the purpose of carrying out the CIP. To this end, the County may provide grants, loans or other forms of assistance as County Council deems appropriate for the purposes of further supporting the financial incentives contained within this Plan, in collaboration with the Town." (p.3. of Housing Within Reach). The programs are:

Program	Purpose	Grant Incentive	Loan Incentive
1) Attainable Housing Feasibility Grant Program	Assist developer proponent with assessing feasibility of a housing project	100% of eligible costs to a maximum of $20K	available only as a grant
2) Development Charges Grant Equivalent Program	Offset cost of Town and County Development Charges	100% of eligible development charges to a maximum of $250K	available only as a grant
3) Tax Increment Equivalent Program	Grants or loans to offset cost of additional assessment	50% of eligible development charges to a maximum of $25K per year, for up to 10 years following the completion of development	50% of eligible development charges to a maximum of $25K per year
4) Municipal Fees Grant or Loan Equivalent Program	Rebate of application fees (planning applications; building permits)	The maximum grant value shall be 100% of fees, or $10K, whichever is less.	The maximum loan value shall be 100% of fees or $20K, whichever is less.
5) Additional Residential Unit Program	Rehabilitation or conversion of space into additional units	The maximum value of a grant shall be 50% of eligible costs to a maximum of $15K.	The maximum value of a loan shall be 50% of eligible costs to a maximum of $30K.
6) Surplus Land Grant Program	Identify Town and County-held properties that could be converted to residential development through an RFP process	The Town and the County will work together to determine the value of a surplus property. As an outcome of the RFP process, surplus land may be granted at a significantly reduced value or at no cost.	
7) Landbanking Policy	Enbles municipality to acquire, sell or lease property at below market value for residential development purposes	n/a	n/a

Town of Goderich Affordable Housing Community Improvement Plan

The Town of Goderich is another good precedent to the Township of Muskoka Lakes, being almost exactly the same population size, and having some influx of seasonal residents and visitors. There are four CIP incentive programs:

Program	Purpose	Grant Incentive	Loan Incentive
1) Design and Study Grant	Support pre-development projects, through the completion of professional studies or reports to determine the feasibility of adaptively reusing, rehabilitating, retrofitting, converting, redeveloping, or developing attainable housing uses.	50% of eligible costs up to a maximum of $10,000 per project/property.	available only as a grant
2) Planning and Building Permit Fee Grant	Available to eligible applicants to offset the Planning Act application(s) and building permit fees required by the Municipality.	The Municipality will provide a maximum of $5,000 per project and/or property as part of a Planning Application and Building Permit Fee Grant.	available only as a grant
3) Development Charge Forgiveness Program	Waives the cost of Town development charges that are incurred by property owners through the development application and approval process.	The grant is in the form of DC fee waiver. The value of the fees to be waived is based on the value of development charges applicable to the number of attainable dwelling units in a development. The maximum value of the grant shall be 100% of the value of the applicable development charges.	available only as a grant
4) Tax Increment Equivalency Grant	Provides a grant to eligible applicants, which is equivalent to a percentage of the municipal portion of a property Tax Increment that is incurred	grant provided for a period of 10 years according to the following schedule: -Year 1: grant is equal to 100% of tax increment - Year 2: grant is equal to 90% of tax increment … each year grant is reduced by a further 10 percentage points to Year 11, when the grant is exhausted	available only as a grant

Town of Penetanguishene Affordable and Sustainable Housing Community Improvement Plan

The Town of Penetanguishene is another reasonable analogue to the Township of Muskoka Lakes, being only slightly larger (population 10,000), showing strong population growth, and having some influx of seasonal residents and visitors.

There are six CIP incentive programs:

Program	Purpose	Grant Incentive	Loan Incentive
1) Tax Increment Equivalent Grant Program	To support pre-development projects, through the completion of professional studies or reports to determine the feasibility of adaptively reusing, rehabilitating, retrofitting, converting, redeveloping, or developing attainable housing uses.	Reduced property tax payment plan, 15 years. The amount of the grant is 100% of the annual tax increment over the agreed base assessment for 11 years, with the full taxed amounts will be phased in for the last 4 years.	available only as a grant
2) Planning and Building Permit Fee Program	To support and encourage investment in affordable housing units by waiving relevant municipal fees.	Elimination of 100% of required payment.	available only as a grant
3) Renovations for Affordable Rental Housing Program	A program for affordable rental housing of 5 units or more by offering financial assistance where modifications are needed to make their buildings accessible and/or to address critical repairs to improve safety.	Grant, up to $15,000. (For buildings designated under the Ontario Heritage Act, the maximum grant shall be maximum $25,000.)	available only as a grant
4) Home Energy Program	To support a repair/upgrade program for energy efficiency of homes. Owners will be required to complete a home energy assessment by a registered professional who will identify recommendations for improvements.	Up to $25,000 provided as a grant for households at or below median income, and a loan for households above median income. For buildings designated under the Ontario Heritage Act, the maximum grant shall be a maximum of $35,000.	available only as a grant
5) Affordable Housing Feasibility Study Program	To determine the feasibility of the creation of affordable housing units or of including affordable housing units within a new development on under-utilized property or retrofit of an existing building. Proponents will be required to commit to	50% of eligible costs up to $10,000 grant Limited to a maximum of 5 applications per intake year/period.	available only as a grant
6) Additional Dwelling Unit Program	To provide financial assistance to offset the costs associated with creating new additional dwelling units or bringing existing units up to code.	$10,000 per unit, up to a maximum of $20,000 per development for affordable additional dwelling units. 2-year pilot program of $5,000 per unit, $10,000 per property for those who don't meet affordability to incentive new dense, lower impact developments.	available only as a grant

Application to Township of Muskoka Lakes

The affordable and attainable housing programs all provide good models for the Township of Muskoka Lakes. The five core programs cover the spectrum of housing development from initial feasibility assessment through to construction, and on to the expansion of an existing housing development. Attainable housing is as defined by the District Municipality of Muskoka (Housing for Everyone, The District Municipality of Muskoka 10 Year Housing and Homelessness Plan 2020-2030).

Stage of Housing Development	Need of proponent (property or building owner)	Proposed CIP Program for Muskoka Lakes
Initial investigation of housing opportunity	- financial assistance in determining the feasibility and sustainability of an attainable housing proposal	***A) Attainable Housing Feasibility Grant Program***
Actual development of housing units	- financial assistance in paying for the up-front costs of development of attainable housing	***B) Municipal Fees Grant or Loan Equivalent Program*** ***C) Development Charges Grant Equivalent Program***
On-going sustainability of housing development	- financial assistance in paying for the on-going costs of the attainable housing development resulting from increased value	***D) Tax Increment Equivalency Grant***
Expansion of a housing development	- financial assistance in determining the feasibility and sustainability of additional attainable housing	***E) Additional Dwelling Unit Program***

The proposed programs are defined below:

Program	Purpose	Grant Incentive	Loan Incentive
A) Attainable Housing Feasibility Grant Program	Assist developer proponent with assessing feasibility of an attainable housing project	100% of eligible costs to a maximum of $20K	available only as a grant
B) Municipal Fees Grant Program	Rebate of application fees (planning applications; building permits)	The maximum grant value shall be 100% of fees, or $10K, whichever is less.	N/A
C) Development Charges Grant Equivalent Program	Offset cost of Township Development Charges	100% of eligible development charges to a maximum of $200K	available only as a grant
D) Tax Increment Equivalency Grant	Provides a grant to eligible applicants, which is equivalent to a percentage of the municipal portion of a property Tax Increment that is incurred	grant provided for a period of 10 years according to the following schedule: -Year 1: grant is equal to 100% of tax increment - Year 2: grant is equal to 90% of tax increment - each year grant is reduced by a further 10 percentage points to Year 11, when the grant is exhausted	available only as a grant
E) Additional Dwelling Unit Program	To provide financial assistance to offset the costs associated with creating new additional dwelling units or bringing existing units up to code.	$10,000 per unit, up to a maximum of $20,000 per development for attainable housing	available only as a grant

Any of these proposed CIP programs could be a pilot program for a 2 or 3 year period to test the extent to which it is 'taken up' by the community, and actually results in affordable and attainable units. There is also the potential for any of these programs to be assisted by the District Municipality of Muskoka through 'top up' programs where the District assists in making funding available.

In addition to these core programs, there are other supplementary programs that could be considered by the municipality, such as the Surplus Land Grant and Landbanking programs in the Town of the Blue Mountains, or the Renovations for Affordable Rental Housing Program and Home Energy CIP programs in the Town of Penetanguishene.

District Municipality of Muskoka Affordable Housing Programs

The District Municipality of Muskoka has affordable housing programs in place that could be used to support the Township's efforts (or could be accessed independently by property owners and developers to help fund housing projects). See program information available at: https://www.muskoka.on.ca/en/housing/programs-for-builders-and-developers.aspx

The objectives of these programs address both the supply and demand of the affordable housing issue. To promote and increase supply, the objectives of programs are:

- To increase the supply of affordable housing and rental accommodation in the District Municipality of Muskoka by providing funding to developers, builders, landlords, and property owners to encourage them to build and provide affordable housing in the District.
- To offer funding for an array of housing options that address affordable housing needs across the housing continuum.
- To encourage and support projects that address prioritized outcomes.

To help manage affordability on the demand side, the program objectives are to support individuals and families who cannot afford current market rents by offering rent subsidies to assist with obtaining and maintaining affordable tenancies.

Under the umbrella Muskoka Affordable Housing Initiatives Program there are two capital assistance funding streams offered. These are:

Funding for Multi-Residential Units

To be eligible for capital assistance developers and property owners must offer rental units at or below a defined District Alternative Average Market Rent, and agree to make these units available to the market for a defined period of time. The longer that affordable housing is offered, the greater the degree of capital assistance to develop the units.

The funding provided is:

Affordability Period	Maximum Capital Funding Amount Available
7 years	$15,000
10 years	$40,000
20 years	$80,000
25 Years	$100,000

Funding for Additional Residential Units (ARUs)

This program enables property owners to develop up to two ARUs per property. (An ARU is a self-contained living space that can be attached to or within a single-family home, such as a detached, semi-detached, or townhouse, or located in an accessory or standalone building on the same property. Examples of ARUs include an addition to the main dwelling, a basement apartment, an apartment above a garage, or a standalone garden suite.). Under the same general requirements of affordability as the multi-residential unit program, the capital funding available for these units is:

Affordability Period	Maximum Capital Funding Amount Available
10 years	$40,000
15 years	$50,000

Synergies with the Township's CIP Programs

Clearly the aims of both the Township's targeted CIP programs in Bala and Port Carling and the District's pan-district programs are compatible. There are opportunities to combine the two programs for even greater incentive effect where appropriate. Particularly attractive combinations would appear to be:

Township		District
Additional Dwelling Unit program	Combined with:	***Additional Residential Units program***
Attainable Housing Feasibility Grant program Municipal Fees Grant or Loan Equivalent program Development Charges Grant Equivalent program Tax Increment Grant Equivalency program	Complementary to:	***Finding for Multi-Residential Units program*** ***or*** ***Additional Residential Units program***

The particular application of any set of combined programs would be negotiated between the property owner or developer, and the Township and District.

Implementation Tools

Fee Rebates

A basic tool for implementing programs in the Community Improvement Plan are rebates for municipal fees and charges, including:

- Planning Application Fees, including fees for Official Plan and Zoning By-Law Amendments, applications for Minor Variance, etc.
- Building Permit Fees, including Plumbing Permit Fees
- Development Charges, if not already exempt for the applicable development type in the Development Charges By-Law
- Other municipal fees related to the development proposed

It is noted that the Development Charges Act provides exemptions for additional dwelling units in existing detached dwellings, semi-detached dwellings, row housing and accessory buildings. Exemptions also apply to additional units in existing rental buildings (Development Charges Act, 5.2.3.2).

On top of the typical eligibility filters set out for any incentive, the policy must set out what percentage of the total fee amount a municipality will rebate to an applicant, when the rebate is issued, and when the rebate is void (e.g. approval not received on a zoning by-law amendment).

Municipalities may record the use of fee rebates by transferring funds from the Community Improvement Plan budget to the budget line of a specific revenue line of a Department.

Development Charge Eligibility	Exempt	Institutional	Commercial	Residential
Location				
Within Designated Central Business District	x			
By Development Type				
Hospitals		x		
Nursing Homes		x		
Homes for Aged		x		
Retirement Homes				x
Industrial Development	x			
Other Institutional		x		
Commercial Development			x	
Roofed Accommodation	x			
Temporary Structures (less than one year)	x			
Garden Suite (Apt. Rate)				x
Farm Help House Development	x			
Farming Business Development	x			
Cannabis Production Facility			x	
Affordable Housing – County SH Prog. Funded	x			
Parking Garage	x			
Place of Worship	x			
Designated Brownfield Development	x			
Single detached dwellings				x
Semi-detached, or row dwellings				x
Other residential buildings / facilities				x
Tiny Homes (100 m^2 usable area or less)				x
By Property Ownership				
Education Boards	x			
County	x			
Local Boards of the County	x			

Example of Development Charge Exemptions

Loans

Construction loans are low-interest or interest-free loans offered by a municipality to an applicant. A loan agreement is signed between the parties, and a loan amortization repayment table is established. Sometimes municipalities provide a “forgivable portion” of the loan if the applicant stays current on payments.

In recent years, some municipalities are no longer offering loans, preferring grants as an implementation tool because of the following concerns:

- Loans are available from private financial institutions and Community Futures Development offices, creating a scenario where the Township would be competing (with little or no experience) against the private lending sector or federal business loan programs.
- Administration and monitoring of loans is labour intensive, placing additional human resource obligations and financial burdens on the municipality. If the loans are not administered and monitored by staff with appropriate fiduciary and accounting skill sets, or if staff are replaced or reassigned, fiscal problems may develop that will need to be repaired, and any negative perceptions may harm the reputation of the Township.
- During the pandemic, advocacy groups warned of business aversion to taking on more debt, regardless of the cost to borrow.
- The practice of registering the loan on title is not welcomed by businesses and causes increased costs that are not budgeted if the business wishes to discharge the loan when renegotiating with other lenders.
- Loans may create unwelcome complexities with municipal budgeting.
- Staff who lack confidence in administering a loan program may not promote it aggressively, creating lower business intake rates.

If the Township chooses to implement a loan program, assistance from the Township’s Finance Department is mandatory. Finance staff will also determine their level of comfort with forgivable loan amounts, amortization conditions, etc. Alternatively, the Township could outsource the delivery of such a loan program to the local Community Futures Development Corporation.

Construction Grants

Construction grants are another fundamental tool for implementing programs in the Community Improvement Plan. The nature of a construction grant must be defined clearly in the CIP and/or associated policy documentation.

On top of the typical eligibility filters set out for any incentive, the policy must set out the following:

- **Maximum Grant Amount:** The maxium grant amount is the total funding a municipality will provide per property to any successful applicant (e.g. $10,000 per program per property, maximum of $50,000 total from all incentive programs per property), regardless of the total project cost estimate.
- **Matching Percentage:** The maximum percentage is the share of the total project cost estimate the municipality will provide to any successful applicant (e.g. 50% of total project estimate cost). If the calculation of matching percentage of total project cost estimate exceeds the Maximum Grant Amount, then the lesser of the two amounts will be the Maximum Grant Amount.

Tax Increment Grants

A Tax Increment Grant is a financial tool used by municipalities to provide financial support to development projects by rebating the difference between property tax bill amount on a property prior to construction and the taxes on the same property after construction and tax reassessment. For example, if the property tax bill increased from $30,000 to $50,000 in Year One after reassessment, the municipality would rebate a percentage (e.g., 100% or $20,000) of the difference in tax bills, after all property taxes ($50,000) have been paid. In Year Two, the percentage may be 80%, resulting in a $16,000 rebate grant after the $50,000 total bill is paid. If the rebate continued to drop in increments of 20% each year for a total of five years, then the business would receive three more grants at $12,000, $8,000, and $4,000, respectively, totalling $60,000 over five years. Usually, the total rebate amount over the rebate period must not exceed the total original cost of construction that activated the tax assessment increase.

Construction grant programs are defined clearly in the CIP and/or associated policy documentation. On top of the typical eligibility filters set out for any incentive, the program will detail:

- Number of years the rebate will be granted after the property is improved and reassessed (e.g., five years vs ten years).
- Change in rebate percentage each year (e.g., 100% in Year One, 80% in Year Two, etc.).
- Total rebate amount the municipality will provide per property to any successful applicant (e.g. the sum of all rebates will not exceed the total construction costs).
- Other conditions.

Tax increment-based grants are very labour intensive to implement and require detailed documentation to mitigate against staff turnover and institutional memory gaps. The program is difficult for financial staff to budget, as the difference between the pre-development and post-development assessment will be unclear until the project is fully built and reviewed by the Municipal Property Assessment Corporation (MPAC). Municipal staff will no doubt promote a cautionary approach.

Eligibility criteria may need to change for programs that utilize a Tax Increment Grant as a tool, such that a project must be much larger in scale or generate tangible spin-off benefits to justify the increase in grant contributions. Smaller projects may need to be eliminated from the program for ease of administration. The complexity of tracking and monitoring dozens of $25,000 rebates will be more burdensome than three $250,000 rebates.

The objectives of any Community Improvement program that uses a Tax Increment Grant for implementation should include long-term tangible targets. For example, employment targets need to be set for eligible industrial building developments, not including temporary construction labour. A net increase of employment in the target geographic areas, directly because of these developments, should be among the criteria for receiving a rebate. For residential projects, there may need to be an audit system that ensures that housing meant for local employees is not converted to short-term rentals for tourist. Potential developers will need to be warned specifically about any conditions that may void their grant eligibility in the future.

If the rebate period of a program is extended from five years to ten years, the need for careful administration, financial analysis, legal services, risk mitigation, and more considerations will be amplified. The effects of rebating so much property tax to development projects will test political stamina over as many as three Council terms.

Expectations of the developer will need to be written into any agreement, in terms of how the rebate is administered, whether it can be sold with the property if the development changes hands, etc., as well as any funding limitations that the Township may institute in the future.

The complexity of a tax-increment rebate application can confuse many developers. The stimulative effect will be enhanced if the proponent can clearly understand how their bottom line will specifically benefit from participating in the program. If the Township can demonstrate how much the developer can expect to save, and how that data can be used to leverage loans from financial institutions or investors, the stimulative effect increases even more.

Given that large-scale developments will cost many millions and could dramatically increase the tax assessed on a vacant or derelict property (if eligible), the promise of a tax rebate that could tip the balance on such an investment may not sell the concept to a developer if the Township placed a cap on total rebates. For example, if the total rebate is capped at $100,000 over five years on a $10-million development, the program is unlikely to stimulate a company to invest.

This type of incentive should only be exercised if there is a clear financial advantage to the developer, and an obvious community benefit to the Township of Muskoka Lakes. Design Guidelines are important to ensuring that new development or renovations are compatible with the existing character of the community. The order of magnitude of the grant should be very high to justify a developer's willingness to invest in a project that otherwise may not happen. The win-win nature of the development must be very clear to all parties.

Developers that are not eligible for Tax Increment Grants may put pressure on elected representatives to expand the scope of the program beyond the original objectives the incentive tool was designed to assist. Program creep will need to be monitored carefully, as any changes in eligibility will eat into overall budget allocations and potentially compromise priority objectives.

Eligibility Filters

Municipalities use eligibility filters to narrow the focus of Community Improvement Plan incentives, prioritizing specific objectives for local economic development.

- **Priority:** An incentive program may be categorized as high priority. Applicants, if eligible, will receive funding approval first, before any other incentive program applications.
- **Geographic Areas:** The eligible geographic area is shown in the Community Improvement Area as a map (e.g. defined waterfront area vs agricultural area), as prescribed in the Community Improvement Plan. In some municipalities, the entire municipality is the eligible geographic area.
- **Industry Focus:** The eligible industry areas are defined (e.g., downtown commercial vs agricultural, tourism vs industrial).
- **Property Types:** The eligible property types are defined (e.g., non-residential vs commercial).
- **Applicant Types:** The eligible applicant types are defined (e.g., property owners vs tenants with written approval by the owner).
- **Expenditures:** The eligible expenditures are defined (e.g., brick veneer refacing vs replacement windows, load-bearing wall rehabilitation vs replacement roofing material).
- **Other General Conditions:** Applicants should not be in tax arrears. They also must not start construction until their application is approved. Other conditions may be added.

Proposed Private Realm Incentive Programs

Program and grant amounts are subject to Council budget review.

Employee Housing Grant REVISED & UPDATED

Objective

To increase the number and quality of dwelling units available for workers and employees of businesses in the Township.

Rationale

Workers in seasonal and other businesses throughout the Township are often younger and have difficulty finding affordable and attainable housing in the Township.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	Yes	N/A	N/A
Construction Grant	Yes	25%	$20,000 to $40,000
Loan	No	N/A	N/A
Tax Increment Grant	Yes	5-year period	$150,000 to $900,000 total over 5 years

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	All areas except those designated Waterfront in the Township's Official Plan
Industry Focus	Workforce housing for all industries
Property Types	Residential, Commercial, Institutional
Applicant Types	Property Owner
Expenditures	Construction costs related to development or redevelopment of multi-residential housing (2 or more units) for workers in all industries. Exclusions: appliances.
Special Conditions	Property owners may apply for the construction grant or the tax increment grant, but not both. Housing is intended for employees of businesses in the area. Use will be registered on title. Property owners cannot change the use without Township permission.

Budget and Stimulative Effect

Scenarios were developed for this grant with options for annual budgets ranging from $20,000 to $100,000. Under the scenarios calculated, the Township of Muskoka Lakes could stimulate 6 to 15 Employee Housing projects over ten years. The stimulative effect could be valued as high as $4.2 million in private-sector investment over ten years, depending on the level of incentives provided.

Attainable Housing Feasibility Grant Program NEW

Objective

To assist developer proponents with assessing the feasibility of an attainable housing project that also supports the Township's Strategic Plan. Housing (a broad range of types is anticipated) must achieve the development of attainable housing as defined by the District Municipality of Muskoka (Housing for Everyone, The District Municipality of Muskoka 10 Year Housing and Homelessness Plan 2020-2030).

Rationale

This grant will enable potential developers to assess the viability of a housing project at lower risk as they would not have to fund projects entirely out of their own resources. Should the feasibility study prove positive (i.e., showing a positive return to the developer), there is a reasonable likelihood of the project proceeding.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	No	N/A	N/A
Construction Grant	Yes	100%	Up to a maximum of $20,000
Loan	No	N/A	N/A
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	All areas except those designated Waterfront in the Township's Official Plan
Industry Focus	N/A
Property Types	Residential (Attainable housing as defined by the District Municipality of Muskoka)
Applicant Types	Property Owner
Expenditures	Any approved cost towards a feasibility study prepared by a qualified professional, which should assess the market potential; the affordability of the unit(s); the high-level design of the housing; and the financial return to the developer. Completed studies are to be provided to the Township.
Special Conditions	Use will be registered on title and permitted through zoning. Property owners cannot change the use within 10 years of receiving the grant without repaying the full amount of the grant to the Township. Housing shall meet the definition of Attainable housing as defined by the District Municipality of Muskoka.

Budget and Stimulative Effect In many cases, the full cost of a feasibility study for a residential development is likely to exceed $20,000. In effect, then, the municipality is subsidizing the full costs of the study; the developer or property owner will necessarily contribute some portion of the overall cost themselves. When the development proceeds, the full costs of the development is likely to be in the hundreds of thousands, if not more. Thus, the Attainable Housing Feasibility Grant Program will generate a return of many multiples of the original grant funding in terms of investment in the area. Moreover, when the housing is occupied by individuals and families contributing to the tourism and hospitality

Additional Dwelling Unit Program NEW

Objective
Like the other programs in the suite of attainable housing programs, this program aims to stimulate housing development in situations where it might otherwise not have occurred.

Rationale
The Additional Dwelling Unit Program acts as an incentive to develop housing stock in existing residential areas.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	No	N/A	N/A
Grant	Yes	100%	A maximum of $10,000 per unit up to a maximum of $20,000 per development
Loan	No	N/A	N/A
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	All areas except those designated Waterfront in the Township's Official Plan
Industry Focus	N/A
Property Types	Residential (Attainable housing as defined by the District Municipality of Muskoka)
Applicant Types	Property Owner
Expenditures	Any approved cost towards construction or renovation of housing units.
Special Conditions	Use will be registered on title and permitted through zoning. Property owners cannot change the use within 10 years of receiving the grant without repaying the full amount of the grant to the Township. Housing shall meet the definition of Attainable housing as defined by the District Municipality of Muskoka.

Budget and Stimulative Effect
The same logic in terms of the stimulative effect of providing attainable housing for workers, particularly in the tourism industry which in turn has a stimulative effect upon the economy of the District, would apply to the Additional Dwelling Unit program.

Shoreline Structure Grant EXISTING

Objective
Encourage the development of additional day-use docking and/or boat slips for operators of pleasure craft and boat taxis travelling to the Community Improvement Plan area.

Rationale
Businesses in Bala and Port Carling and cottage owners on adjacent lakes wish to see an increased number and frequency of safe pleasure craft traffic. By developing additional boat slips and docking areas, property owners and the Township will help to increase the amount of foot traffic in the commercial areas while decreasing pressure on vehicle parking.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	Yes	100%	To be determined
Construction Grant	Yes	50%	$5,000
Loan	No	N/A	N/A
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	Bala and Port Carling Core CIP Study Area
Industry Focus	Tourism and Hospitality, Retail
Property Types	Waterfront Commercial, Waterfront Open Space, Waterfront Institutional
Applicant Types	Property Owner
Expenditures	Construction costs related to development of new docks or boat slips.
Special Conditions	Docks and boat slips are intended for public day-use by boaters to access the businesses in Bala and Port Carling. The use will be registered on title. Current or future owners of the property who restrict public access or allow overnight use without Township permission will be prosecuted. Construction must follow guidelines established by appropriate authorities.

Budget and Stimulative Effect
Scenarios were developed for this grant with options for annual budgets ranging from $10,000 to $60,000. Under the scenarios calculated, the Township of Muskoka Lakes could stimulate 14 to 84 Shoreline Structure projects over ten years. The stimulative effect could be valued as high as $1 million in private-sector investment over ten years, depending on the level of incentives provided.

Ecological Space Grant EXISTING

Objective
To improve the landscape between commercial business properties and public properties, highlighting environmental sustainability, natural beauty, and local culture.

Rationale
There is a constant push to keep Muskoka natural and green. Regeneration, environmental sustainability, and climate change are top of mind among citizens, business owners, and visitors. Places can build community pride by responding to these trends, encouraging more greenery and vegetation, and generally making the collective community look more beautiful and forward-thinking.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	No	N/A	N/A
Construction Grant	Yes	50%	$5,000 per property
Loan	No	N/A	N/A
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	Bala and Port Carling Core CIP Study Area
Industry Focus	Tourism, Hospitality, Retail, Office, Industrial near Public Spaces, Residential or Mixed Use in limited cases
Property Types	Commercial, Industrial
Applicant Types	Property Owner or Tenant with Property Owner's Written Permission
Expenditures	Material, labour and consulting costs associated with building ecological space connections between private and public outdoor spaces (land or water), including supply and installation of soil, alternative cover treatments, native trees and shrubs, lighting appropriate for supporting dark sky promotion, permanent sidewalk café/patio, benches, planters, public art.
Special Conditions	Owners of contiguous properties should be permitted to apply as a group and pool their grant allotments. They could then hire one professional landscape architect and/or contractor to design and install the projects together, accelerating activation and maximize the time of available contractors.

Budget and Stimulative Effect
Scenarios were developed for this grant with options for annual budgets ranging from $5,000 to $30,000. Under the scenarios calculated, the Township of Muskoka Lakes could stimulate 7 to 54 Ecological Space projects over ten years. The stimulative effect could be valued as high as $700,000 in private-sector investment over ten years, depending on the level of incentives provided.

Business Structural & Mechanical Upgrade Grant

EXISTING

Objective

To support upgrades and investment in structural and mechanical components of commercial properties to enhance business viability, building integrity, and year-round use.

Rationale

Older buildings may have decayed structural supports, out-of-date electrical systems, substandard plumbing, sanitation concerns, or heating systems and insulation. Even the smallest of cafes, restaurants and food shops need proper ventilation for food preparation, renovations for contactless food-delivery, as well as fixes for pest control, or upgrades to drains, grease traps and interceptors. Small business owners need support to ensure their businesses stay compliant with regulations, welcoming to customers, safe for employees, financially viable, and open in all seasons.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	Yes	100%	Municipality to rebate any fee paid
Construction Grant	Yes	50%	$10,000 to $25,000
Loan	No	N/A	N/A
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	Medium
Geographic Areas	Bala and Port Carling Core CIP Study Area
Industry Focus	Tourism, Hospitality and Retail
Property Types	Commercial
Applicant Types	Property Owner or Tenant with Property Owner's Written Permission
Expenditures	Construction costs related to structural and mechanical upgrades to existing commercial buildings, including upgrades to plumbing and electrical systems, installation of safety and fire protection systems, structural upgrades, upgrade and installation of windows, new technologies, building insulation, consultant fees, fire suppression systems, carpentry, HVAC, and interior renovations.
Special Conditions	All construction must follow Ontario Building Code and other regulations.

Budget and Stimulative Effect

Scenarios were developed for this grant with options for annual budgets ranging from $10,000 to $80,000. Under the scenarios calculated, the Township of Muskoka Lakes could stimulate 9 to 20 Business Structural and Mechanical Upgrade projects over ten years. The stimulative effect could be valued as high as $1.3 million in private-sector investment over ten years, depending on the level of incentives provided.

Business Accessibility & Facade Upgrade Grant

EXISTING

Objective

To encourage business owners to improve accessibility for persons with disabilities and to enhance the exterior façade of their building.

Rationale

Accessibility to businesses in Bala and Port Carling is critical. Not only must property owners comply with Provincial law, those who do not are missing out on opportunities. The number of Canadians living with a physical disability that impairs their mobility, vision, or hearing, will rise to 3.6 million over the next ten years. Improvements to workplace access would allow 550,000 Canadians with disabilities to work more, increasing GDP by $16.8 billion by 2030. The increase in labour availability would lift the income of people with disabilities by more than $13.5 billion. These outcomes would also improve availability of workforce and generate new customers for small business owners.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	Yes	100%	Municipality to rebate any fee paid
Construction Grant	Yes	50%	$5,000 to $25,000
Loan	No	N/A	N/A
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	High – Accessibility Upgrades Low – Facade Upgrades
Geographic Areas	Bala and Port Carling Core CIP Study Area
Industry Focus	Tourism, Hospitality and Retail
Property Types	Commercial
Applicant Types	Property Owner or Tenant with Property Owner's Written Permission
Expenditures	**Accessibility Upgrades:** Construction costs related to renovation of building entrances, upgrading of doors, installation of power assist door operators, installation of ramps, elevating devices, and accessibility washrooms for the public. **Facades Upgrades:** External repairs to facades on any public-facing wall, including signage, lighting appropriate for night sky promotion, entrances, and display windows.
Special Conditions	All construction must follow Ontario Building Code and other regulations and conform to Design Guidelines.

Budget and Stimulative Effect

Scenarios were developed for this grant with options for annual budgets ranging from $5,000 to $30,000. Under the scenarios calculated, the Township of Muskoka Lakes could stimulate 7 to 13 Business Accessibility and Façade Upgrade projects over ten years. The stimulative effect could be valued as high as $700,000 in private-sector investment over ten years, depending on the level of incentives provided.

Municipal Fees Grant Program NEW

Objective
This program will incent development by rebating all or part of fees that the proponent would have had to otherwise pay for planning applications or building permits.

Rationale
By reducing the up-front costs to property owners and developers, this will enhance the likelihood of development proceeding (and may also speed up the process).

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	Yes	Up to 100% under specific limits	See below
Grant	Yes	N/A	Grant available for fee rebate of 100% up to a maximum of $10,000
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	All aeas except those designated Waterfront in the Township's Official Plan
Industry Focus	Workforce housing for all industries
Property Types	Residential (Attainable housing as defined by the District Municipality of Muskoka)
Applicant Types	Property Owner
Expenditures	Any costs incurred that are charged by the municipality for permitting to enable the housing development
Special Conditions	Use will be registered on title and permitted through zoning. Property owners cannot change the use within 10 years of receiving the grant without repaying the full amount of the grant to the Township.

Budget and Stimulative Effect
Through the effective elimination of the cost to the developer or property owner of the often-onerous fees incurred from applications and permits, the Township can reduce the up-front costs of development, and thus stimulate more attainable housing in the area. As before, when the housing is occupied by individuals and families it strengthens the integration of the overall economic base (which itself has a hugely positive economic impact upon the District), the impact will be further magnified.

Development Charges Grant Equivalent Program NEW

Objective
Like the other programs in the suite of affordable and attainable housing programs, this program aims to stimulate housing development in situations where it might otherwise not have occurred.

Rationale
Development charges can be one of the most significant costs facing developers. Relieving a property owner or developer of these costs can be a major catalyst for new housing development. While there is an opportunity cost to the municipality (in that the monies that would be received from the developer for various community improvements is not available) there is clearly an offsetting benefit in terms of having additional housing developed. The choice of having housing available, as opposed to various other infrastructure, or other community improvements, is one that needs to be weighed by the Township on a case-by-case basis. The Town of Blue Mountains program, co supported by the upper-tier County of Grey, is a workable model to follow in this regard. In their case, the upper amount of $250,000 is the maximum amount of the grant offered. For the Township of Muskoka Lakes, with its smaller population size, an upper amount of $100,000 is suggested. This can be adjusted based on the program uptake.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	No	N/A	N/A
Grant	Yes	100%	Up to a maximum of $100,000
Loan	No	N/A	N/A
Tax Increment Grant	No	N/A	N/A

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	All areas except those designated Waterfront in the Township's Official Plan
Industry Focus	N/A
Property Types	Residential (Attainable housing as defined by the District Municipality of Muskoka)
Applicant Types	Property Owner
Expenditures	The Township's development charges would be rebated to the developer or property owner, upon application after the completion and successful proven occupation of the housing unit(s).
Special Conditions	Attainable housing is intended for employees of businesses in the area. Use will be registered on title and permitted through zoning. Property owners cannot change the use within 10 years of receiving the grant without repaying the full amount of the grant to the Township.

Budget and Stimulative Effect Through alleviating development charges, the Township can reduce the up-front costs of development, and thus stimulate development of attainable housing.

Tax Increment Equivalency Grant Program NEW

Objective
The fundamental objective of this program is to encourage the development of larger scale attainable housing that will fundamentally improve the supply of attainable housing in the Township.

Rationale
Property improvements such as housing development, which increase the value of the subject property and the buildings upon it, attract increased assessment valuation which it turn leads to an additional tax burden to the property owner. Especially in the early years of a new development, this can be a significant burden, and recognition of this fact can dissuade property owners from action. The Tax Equivalency Grant program recognizes this and attempts to introduce this additional tax burden gradually over a 10-year period, rather than all at once. The amount of the grant available in each year is determined by the incremental amount of tax needing to be paid – that is, the amount of tax owing in the property before the development was complete, subtracted from the current amount of tax owing. This incremental amount is rebated to the developer or property owner in gradually-diminishing amounts each year.

Implementation Tools and Funding Amounts

Implementation Tool	Tool Available?	Municipality Match %	Maximum Grant Range
Fee Rebate	No	N/A	N/A
Grant	No	N/A	N/A
Loan	No	N/A	N/A
Tax Increment Grant	Yes	100%	Determined by the amount of the incremental tax increase; grant will be equal to 100% of the incremental amount in year 1; 90% in year 2; and so on down to 10% n year 9 and no grant in year 10 and on

Eligibility Filters

Eligibility Filter	Details
Priority	High
Geographic Areas	All areas except those designated Waterfront in the Township's Official Plan
Industry Focus	N/A
Property Types	Residential (Attainable housing as defined by the District Municipality of Muskoka)
Applicant Types	Property Owner
Expenditures	The tax increment grant would be rebated to the developer or property owner, upon application, after the completion of the housing unit(s).
Special Conditions	Use will be registered on title and permitted through zoning. Property owners cannot change the use within 10 years of receiving the grant without repaying the full amount of the grant to the Township.

Budget and Stimulative Effect Through alleviating development charges, the Township can reduce the up-front costs of development, and thus stimulate development of attainable housing.

Financial Considerations

Budgeting for a municipal Community Improvement Plan (CIP) is a challenging endeavour. Under the ideal scenario, Township officials would have a full grasp on the sizes and types of property improvements that business owners are considering, and an understanding of construction costs.

The numbers stated below do not include operational costs related to administration of the program, such as wages and benefits, financial or legal costs, debt servicing, office space, materials, supplies, services, printing, advertising, or promotion.

Any funding allocated by the Township to a public realm CIP budget would be considered an incremental enhancement to existing capital expenditures and is not meant to offset total budget lines. Funding amounts committed to stimulate private-sector incentives are assumed to be matching, at a minimum. In many cases, CIP incentives can generate a threefold to fivefold multiplier when developers tally total project costs.

Neither scenario considers potential public-private partnerships that may unexpectedly materialize requiring major infusions of tax rebate grants to stimulate their construction. Such opportunities would need to be considered by Council on a case-by-case basis, with a separate cost-benefit analysis, and separate budget.

Annual Allocation by Council

Option A: $300,000
To demonstrate overwhelming commitment to accelerating economic improvements to the Township of Muskoka Lakes, Council may wish to devote more funds to a substantial CIP budget. This would send a clear signal to developers and businesses small and large that the Township support its existing businesses and wishes to attract new investment to its communities. In this scenario, there would be additional funding for private-sector incentives, but a portion of unallocated funds in the Business Incentive Reserve that are unused by the private sector could be used to augment the separate budget for public-realm projects. Over ten years, it is predicted that private property owners would invest an additional $8.1 million, more if projects access tax-increment rebates, and less if portions of the budget are allocated to the public realm.

Option B: $150,000
The budget amount required to activate an effective toolbox of incentives for the Township of Muskoka Lakes Community Improvement Plan Township of Muskoka Lakes would be $150,000 per year for a minimum period of ten years. Over the course of ten years, it is estimated that private property owners would invest an additional $4 million, excluding large-scale projects eligible for Tax Increment Grants. Any public realm improvements should be budgeted separately.

Option C: $50,000
In a compromise scenario, the Township of Muskoka Lakes could activate a portion of its incentives with a smaller budget of $50,000 annually. The degree to which the private-sector will respond to this scenario is not as clear. However, if businesses do respond positively, the program could generate additional private-sector investment of $1.5 million over ten years. It may be difficult to determine if the program investment actually triggered any projects or if the fund was used by savvy entrepreneurs to subsidize work that would have been completed anyway. Any public realm improvements should be budgeted separately.

Business Incentive Reserve

The Township should establish a Community Improvement Incentive Reserve Account to ensure there is no interruption in the program from year to year, and that as many applicants can be considered as possible if there is sufficient funding in the reserve, and that flexibility in managing funds is designed into the program to account for unexpected needs related to the Tax Increment Grant.

The scenario developed for the Township of Muskoka Lakes anticipates grants being disbursed in the first five years of the program exclusively to construction and fee rebates. The calculations assume that a small number of large projects related to Worker Housing are completed in the first five years, and starting in Year 6, the entire annual budget allocation is consumed by a 100% rebate in tax assessment increase(s) related to the new project(s). As the sliding scale of rebates drop, more money becomes available for construction grants. However, as more Tax Increment Grant projects come on stream, and others are retired after five years, the importance of the Reserve Fund will become evident.

Administration

Intake and Approval

Communication and Facilitation
Since a business owner or employee may oversee smaller projects, there will need to be no surprises when they file their paperwork for the grant. The nature of estimates and final supporting documentation must be confirmed in simple terms, so the applicant complies with the process. Design Guidelines are important to ensuring that new development or renovations are compatible with the existing character of the community.

Eligibility Requirements
An effective program starts with an easy-to-understand intake process and approval mechanism. General eligibility requirements for any of the programs should be outlined clearly in the intake process. Any specific criteria for individual programs must be highlighted. Recommended general eligibility requirements would include:

a Eligible projects must be located within the Community Improvement Plan area.

b Applicants must apply for the specific grant prior to the commencement of any work. Financial incentives offered in the Community Improvement Plan will not be offered retroactively for costs incurred prior to receipt of written approval of the application.

c Applicants must submit drawings and/or plans, two cost estimates, and other details with their application.

d Proposals must comply with the Official Plan, Zoning By-law, other applicable municipal by-laws, and the Ontario Building Code.

e Properties will not be eligible if they have any tax arrears or any other legal claim, lien, or order that may adversely affect title of the property, other than a mortgage in good standing. All utilities and any other municipal financial obligations must be up to date.

f Approved grants are not transferable to any other property but may be transferred to the new owner of the same approved property, provided the new owner agrees to the terms and conditions.

g Applicants must permit the public disclosure and promotion of all information regarding the grant, including Applicant name, project street address and town, grant amount, description and images of project (before and after construction), and total project budget, i.e., including additional financial investment made by the Applicant over and above the grant amount. If the information is not available at the application stage, the Applicant must disclose it when the project is completed or the grant may not be issued.

h Municipal staff will inspect and approve improvements of the building upon completion, as required. Improvements must be consistent with any existing design guidelines or other policies. For the grant to be paid, the final project must be significantly consistent with the project outlined at the application stage. An audit of work completed and associated costs may be ordered if deemed necessary.

i For Tax Increment Grants, funding is usually available at a high order of magnitude that requires case-by-case considerations and direct approval by Council (i.e. no delegation to staff or Committees). The Township's Finance staff, or a consultant, would need to analyze any proposal and clearly determine the budget implications of what could be a multi-million-dollar contribution by the municipality. Tax Increment Grants should be targeted to very specific properties or development types, perhaps involving public-private partnerships, and generating tangible Township-wide community benefit, such as a major waterfront park that can be enjoyed year-round by residents and tourists while serving as a backdrop for a multi-residential building housing tourism workers for local businesses

Promotion

It is important to engage with businesses directly to promote the financial incentives. A specific protocol for handling marketing of the CIP should be put in place, including ensuring that all Township staff and business associations are aware of the program.

Monitoring

The frequency of monitoring reports increases the integrity of the program, but also raises the administrative cost and labour intensity of the program.

At a minimum, staff should monitor the program on a quarterly basis. Council should receive a report annually, at a minimum, well in advance of the budget review process.

Criteria to be Monitored

The CIP incentive programs should be evaluated annually to determine:

- whether program uptake is satisfactory;
- if applicants are completing their commitments, and if not, understanding the reasons why;
- if the objectives and desired outcomes are being achieved;
- the estimated economic impact associated with each program (i.e., benefits realized relative to costs incurred, and the estimated 'return on investment' from the program);
- estimated incrementality (i.e., whether the use of the CIP program had any impact as a catalyst for the improvement, or whether it would have occurred absent the incentive); and
- whether adjustment to or termination of incentive programs is warranted.

The evaluation process for CIP policies often involves three parties:

1) Township staff, often within the planning or economic development departments, and possible involving bylaw control, are typically responsible for implementing the CIP and tracking its progress.

2) A committee, composed of Township staff and community representatives, reviews applications for funding and monitors the overall performance of the program against pre-defined goals and indicators.

3) Community members, businesses, and residents are sometimes involved in the monitoring process through feedback mechanisms and participation in review meetings.

The involvement of community stakeholders not only incorporates their valuable feedback into the process, but also acts to spread awareness of and interest in the possibilities inherent in the CIP program.

Revisions to this Plan

Minor revisions to this Plan intended to clarify the wording, correct errors or make minor changes to the Eligibility Criteria may be approved by the Chief Administrative Officer of the Township.

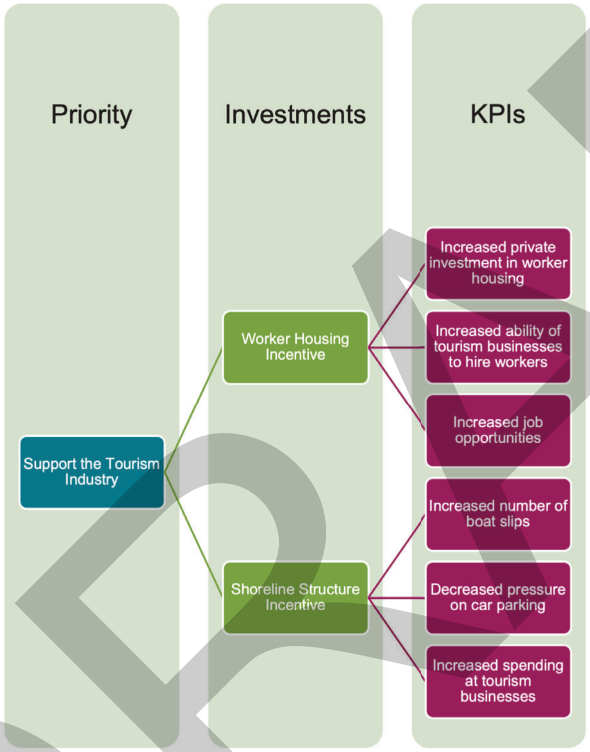
Performance Measurement

Measuring the effects of investments by monitoring progress towards priority areas for a CIP through quantitative key performance indicators (KPIs) allows the Township to see the impact of specific investments as well as how they are leading towards the achievement of big picture goals. Examples of priorities could include the following.

- Promote cultural development and tourism
- Improve buildings and infrastructure
- Use land strategically for redevelopment of vacant/ underutilised properties

As seen in the diagram at right, this measurement tool groups investments under each priority and groups KPIs under each investment.

It is possible that an investment fits under more then one priority. When this is the case the investment can fit under more then one priority with KPIs relevant to each priority. Under this situation when measuring the effects of a specific investment the Township can pull all KPIs for the investment to track progress. The KPIs can also act as an input for the benefits part of a cost benefit analysis to allow the Township to evaluate the return on investment of public realm investments and incentives.



General Example of the Investment Measurement Tool (This figure is for reference only and is not a holistic list of priorities, investments or KPIs)