To: **Committee of the Whole**

Agenda Section: Corporate Services
Division: Engineering, Planning and Environment
Department: Planning

Item Number: **CCW - 2025-225**

Meeting Date: September 9, 2025

Subject: **Upper-tier Community Improvement Planning**

Recommendation

That Item CCW 2025-225, dated September 9, 2025, regarding the County of Simcoe becoming a prescribed Community Improvement Plan (CIP) upper-tier municipality, be received; and

That the Warden write a letter to the Minister of Municipal Affairs and Housing requesting an amendment to Ontario Regulation 221/07 to add the County of Simcoe as a prescribed upper-tier municipality authorized to prepare a Community Improvement Plan (CIP).

Executive Summary

A Community Improvement Plan (CIP) is a financial incentive program which refers to a plan for community improvement in project areas to incentivize certain types of projects and/or investments, including affordable housing. With regard to affordable housing, municipalities may pass a CIP By-law to offer grants or loan programs to incentivize specific housing forms and increase funding opportunities for the proponents of affordable housing. A CIP focused on affordable housing would increase future flexibility for the County in providing financial incentives for new housing that the market may otherwise not deliver on its own by reducing the cost of development.

However, only specific upper-tier municipalities are currently permitted by the Province to prepare CIP's and for specific matters namely, 1) Infrastructure that is within the upper-tier municipality's jurisdiction; 2) Land and buildings within and adjacent to existing or planned transit corridors that have the potential to provide a focus for higher density mixed-use development and redevelopment and, 3). Affordable housing.

At this time, the County is not listed as an upper-tier municipality authorized to prepare a CIP. As recommended by the County's Housing Attainable Supply Action Plan, it would be prudent for the County to make a request to the Minister to be added as an upper-tier municipality that is able to prepare a CIP. This would afford the County with the ability to offer incentive programs in the future should Council wish to do so.

Therefore, County Planning staff recommend that the County of Simcoe becomes a prescribed upper-tier municipality with respect to the use of the Community Improvement Plan (CIP) tool under section 28 of the *Planning Act.*

Background/Analysis

County of Simcoe Council endorsed The Housing – Attainable Supply Action Plan (Housing ASAP), CCW 2024-192 Housing ASAP Final Report, on June 25, 2024. This Action Plan included twenty-one (21) recommended actions that the County of Simcoe, City of Orillia and/or local municipalities can advance across five (5) categories of implementation over the next five (5) years. These recommended tools can be used to assist in the delivery of market-provided housing that is affordable for households with incomes between 80%-120% of the County's median household income, also referred to as missing middle or attainable housing.

A subsequent Housing ASAP Implementation Plan was presented to County Council on February 25, 2025. This Implementation Plan identified five (5) priority actions to pursue as follows:

1. Explore a Development Navigator Program to facilitate priority housing;
2. Create a Candidate Sites Catalogue;
3. Prepare a model Community Planning Permit System (CPPS);
4. Draft a Standard Rental Replacement by-law;
5. Set foundation for potential future Financial Incentive Programs (CIP & MCFB).

A Community Improvement Plan (CIP) is a financial incentive program identified under implementation item 5 above. Under Section 28 of the *Planning Act*, a CIP refers to a plan for community improvement in each project area and includes the provision of affordable housing, CIP's also include provisions such as growth planning intensification, infrastructure, environmental standards, energy efficiency, mixed-use and transit/bicycle oriented development, accessibility, and employment. CIP's provide the framework for the delivery of programs to encourage desired activities or limit undesirable ones, including development or redevelopment of industrial, commercial and residential lands. CIP's allow municipalities to offer incentives such as grants or loans to encourage various improvements in an area. For example, CIPs have been used to encourage projects related downtown revitalization, building façade improvements, and more recently affordable housing.

With regard to affordable housing specifically, municipalities may pass a CIP By-law to offer grants or loans in exchange for specific housing forms and increase funding opportunities for the development community. It has the ability to increase future flexibility for the County in providing financial incentives for new housing that the market will otherwise not deliver on its own by reducing the cost of development. In fact, it is understood that stacking of incentives is a much better framework for creating an affordable housing market.

Only eight specific upper-tier municipalities are currently permitted by the Province to prepare CIP's, under O'Reg. 221/07 (refer to schedule 1). These upper-tier municipalities are the following: County of Frontenac, District Municipality of Muskoka, Regional Municipality of Durham, Regional Municipality of Halton, Regional Municipality of Niagara, Regional Municipality of Peel, Regional Municipality of Waterloo, and Regional Municipality of York. As per O'Reg 550/06 (refer to schedule 2), a CIP for prescribed upper-tier municipalities may only deal with the following matters:

1. Infrastructure that is within the upper-tier municipality's jurisdiction;
2. Land and buildings within and adjacent to existing or planned transit corridors that have the potential to provide a focus for higher density mixed-use development and redevelopment;
3. Affordable housing.

It would be prudent for the County to advocate to the Province to be granted the required permissions to create a CIP that could offer financial incentives in the future.

There are no parameters identified in the *Planning Act* as to how an upper-tier municipalities can seek to be prescribed for the purposes of s. 28 (2) of the *Planning Act*. Based on staff's research, the eight upper-tier municipalities that have been empowered to use the CIP tool all passed council resolutions requesting to be prescribed for these purposes. While any decision to initiate an amendment to O.Reg 221/07 lies with the Minister of Municipal Affairs and Housing, a County Council resolution requesting to become prescribed upper-tier municipality that can prepare a CIP would be beneficial.

Should the province prescribe the County as an upper-tier municipality that can utilize the tools such as grants and loans through a CIP, then Council will be in a position to focus on passing a By-law to offer financial incentives for housing. When the by-law has been passed under 28(2) of the *Planning Act*, the Council may provide for the preparation of a plan suitable for adoption as a CIP for the community improvement project area and the plan may be adopted and come into effect in accordance with 28(5) and (5.1) of the *Planning Act.*

Financial and Resource Implications

There are no financial or resource implications associated with this Item. If the Minister amends O.Reg. 221/07 to add the County of Simcoe as a prescribed upper-tier municipality authorized to prepare Community Improvement Plans, the County would be in a position to prepare a CIP in the future. Should County Council wish to prepare a CIP, additional funds would be sought through the annual budget process to secure the appropriate consulting resources to prepare the CIP.

Relationship to Corporate Strategic Plan

A. Growth Related Service Delivery:
This report impacts growth in the County by encouraging an increase in the supply of housing through use of tools to streamline the development process.

Reference Documents

- CCW 2024-192 – Housing - Attainable Supply Action Plan Endorsement
- CCW 2025-052 – Housing - Attainable Supply Action Plan – Implementation Plan

Attachments

Schedule 1 - Ontario Regulation 221/07
Schedule 2 – Ontario Regulation 550/06

Prepared By Kristin D. Pechkovsky, RPP MCIP
Planning Program Supervisor, Innovation & Acceleration

Approvals	**Date**
Nathan Westendorp, Director of Planning/Chief Planner	August 20, 2025
Rob Elliott, General Manager, Engineering, Planning and Environment	August 21, 2025
Trevor Wilcox, General Manager, Corporate Performance	August 31, 2025
Mark Aitken, Chief Administrative Officer	September 2, 2025