

THE CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

BY-LAW NO. 25-091

BEING a by-law to adopt an Affordable Housing Community Improvement Plan respecting the incentivization of development that will result in an increase of affordable housing within the Municipality of Mississippi Mills

WHEREAS Section 28(2) of the Planning Act, R.S.O. 1990, Chapter P.13, as amended, provides that “where there is an official plan in effect in a local municipality that contains provisions relating to community improvement in the municipality, the Council of the Corporation may, by by-law, designate the whole or any part of an area covered by such an official plan as a community improvement project area”;

AND WHEREAS By-law No. 25-063 being a By-law to designate the Municipality in its entirety as a Community Improvement Project Area, was passed by the Council of the Corporation of the Municipality of Mississippi Mills on the 26th day of August 2025, pursuant to its authority under Section 28(2) of the Planning Act, R.S.O. 1990, Chapter P.13.

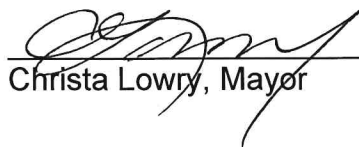
AND WHEREAS the Council of the Corporation of the Municipality of Mississippi Mills has provided for the preparation of the Affordable Housing Community Improvement Plan pursuant to its authority under Section 28(4) of the Planning Act, R.S.O. 1990, Chapter P.13;

AND WHEREAS the Council of the Corporation of the Municipality of Mississippi Mills held a statutory public meeting with respect to the Affordable Housing Community Improvement Plan on October 7, 2025, pursuant to its authority under Sections 17 and 28 of the Planning Act, R.S.O. 1990, Chapter P.13.

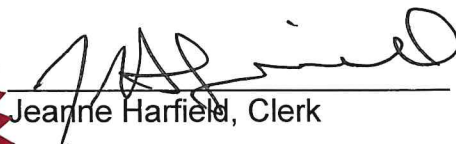
NOW THEREFORE the Council of the Corporation of the Municipality of Mississippi Mills, pursuant to Section 17 and 28 of the Planning Act, R.S.O. 1990, Chapter P.13 enacts as follows:

1. Affordable Housing Community Improvement Plan, a copy of which is attached to and forms part of this By-law as Schedule “A”, is hereby adopted.

BY-LAW READ, passed, signed, and sealed in open Council of the Corporation this 18th day of November 2025.


Christa Lowry, Mayor




Jeanne Harfield, Clerk

Written approval of this by-law was given by Mayoral Decision MDE-25-018 dated November 18, 2025.

**BY-LAW NO. 25-091
SCHEDULE "A"**

AFFORDABLE HOUSING COMMUNITY IMPROVEMENT PLAN

JLR No.: 32608
Revision: 2

September 12, 2025

Mississippi Mills

Affordable Housing Community Improvement Plan



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1.0 Introduction

1.1 Background

Mississippi Mills is a municipality in Eastern Ontario, located in Lanark County about 50 km southwest of Ottawa. The Municipality was officially formed in 1998 through amalgamation of the Town of Almonte, and the Townships of Ramsay and Pakenham.

As of the 2021 census, Mississippi Mills has 14,640 residents, with a 2024 population estimate of 15,775. The Municipality is anticipated to grow to roughly 25,820 by 2051, emphasizing the need for investment in housing stock and infrastructure. The Municipality and County currently have programs to support housing needs, including affordable housing, and the Municipality is continuing to do so through this Community Improvement Plan (CIP).

The CIP is one of the seven initiatives of the Municipality's Housing Accelerator Fund (HAF) Agreement through the Canada Mortgage and Housing Corporation (CMHC), which is a federally funded program aimed to support the building of more housing in municipalities. The funding will assist Mississippi Mills by removing barriers to housing and encourage local initiatives to build more homes, faster.

1.2 Legislative Authority

The CIP has been developed in accordance with Section 28 of the *Planning Act* and Section 106 of the *Municipal Act*, as well as other relevant policies and documents including the Provincial Planning Statement, the Lanark County Sustainable Communities Official Plan, and the Municipality of Mississippi Mills Community Official Plan (COP).

For the purpose of this CIP, the definition of *Affordable* comes from the most current PPS in full force and effect. As of enacting this CIP, the 2024 PPS defines *Affordable* as follows:

"Affordable: means

a) in the case of ownership housing, the least expensive of:

- 1. 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*
- 2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the municipality;*

b) in the case of rental housing, the least expensive of:

- 1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or*

2. a unit for which the rent is at or below the average market rent of a unit in the municipality.”

In the event the definition above changes, the current definition of “affordable” in the Provincial Planning Statement will be applied.

1.3 How the Community Improvement Plan Works

The purpose of a CIP is to allow for municipal incentives to motivate private sector investment in the community. A CIP is a planning tool that establishes a framework for achieving community improvements to rehabilitate and revitalize project areas.

A CIP includes incentives to stimulate or encourage investments and may include design guidelines for improvements. A CIP can also provide programs for municipal grants and loans for private sector improvements.

2.0 Financial Tools of the CIP

Legislation and policy, detailed in Appendix A, provides a range of financial tools that enable the Municipality to encourage targeted development of affordable housing either new development or redevelopment by offsetting some of the associated upfront costs to development and long-term tax implications. This CIP incorporates three key tools to reduce costs associated with development: rebate, forgivable loan, and tax increment equivalent rebate (TIER).

Rebate

A rebate is where an approved applicant receives money to reimburse incurred expenses on eligible costs to a maximum set by Municipal Council.

Forgivable Loan

A forgivable loan is where an approved applicant receives money that does not have to be repaid – if certain conditions are met. The loan is issued like any other, but instead of making payments, the borrower must meet program requirements set out over a period of time as identified by the Municipality. If all requirements are met, the loan may be forgiven. If the requirements are not met, they may have to repay all or part of the loan.

Tax Increment Equivalent Rebate (TIER)

A TIER is where an approved applicant receives partial tax relief in the form of a rebate, to cover the incremental municipal tax increase that occurs when a property is improved.

The incentives are eligible to be stacked as decided by the Municipality in discussion with the applicant during the pre-consultation meeting.

3.0 Community Improvement Project Area

The entirety of the Municipality has been designated, by the Municipality's COP, as a Community Improvement Project Area (CIPA), as shown in Figure 1. This designation allows prospective applicants to apply for the incentive programs municipal-wide, subject to complying with the Affordable Housing CIP requirements.

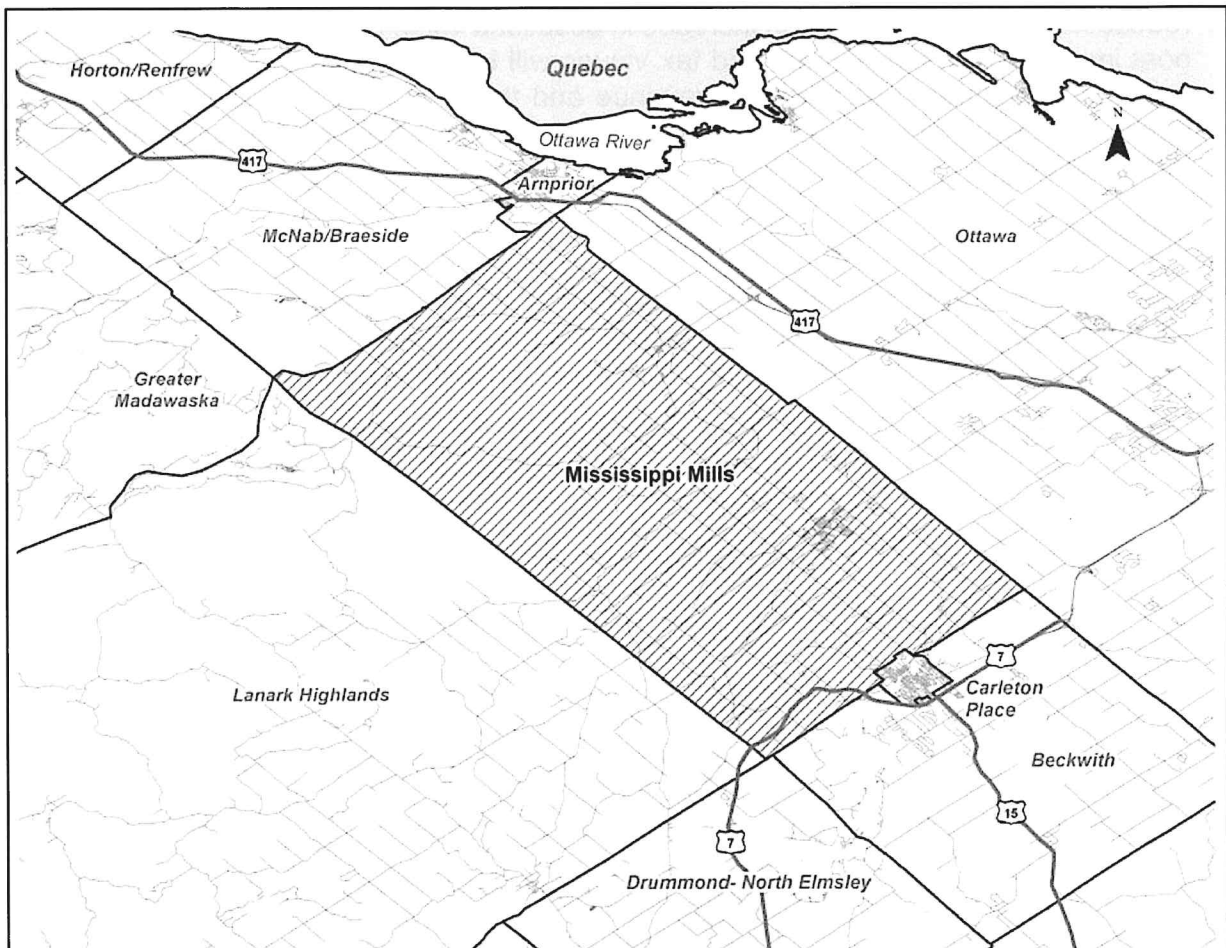


Figure 1 CIPA Boundary - Municipality of Mississippi Mills

4.0 CIP Programs for Affordable Housing

4.1 Tax Increment Equivalent Rebate (TIER)

PURPOSE

This purpose of TIER is to shield a property owner from the municipal portion of tax increases that occur because of the development. In the case of a development with a mixture of affordable and market housing, the rebate is applicable only to those affordable units.

DESCRIPTION

The rebate will be administered following completion of construction and occupancy of the affordable units. The value of the rebate provided is equal to the incremental increase in property assessment and municipal property tax resulting from the development.

The amount given for the rebate is dependent on the reassessed property value by the Municipal Property Assessment Corporation (MPAC) and applicable taxes, if the reassessment demonstrates an increase in assessed value of the property. The pre- and post improvement assessment and tax values will be used to calculate the incremental increase in municipal property tax revenue and the total value of the rebate. For any mixed-use development, tax rebate is applicable only to the affordable residential portion of the building.

DETAILS

The rebate is offered annually, for a maximum of 10 years, and is structured as shown below in Table 1 based on the first year of the property reassessment. The successful applicant will only receive the rebate on years that reassessments have taken place.

YEAR	PERCENTAGE OF TAX INCREASE EXEMPTED FROM MUNICIPAL PROPERTY TAX
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%

ELIGIBILITY

- ✓ The property is located within the municipal boundaries;
- ✓ Application is received prior to any applicable planning or building permit application(s);
- ✓ Copies of the reassessment of the property by MPAC, photographs of the building/units showing the completed project, and other relevant drawings or documentation in support of the completed project, or as required by the Municipality to receive the rebate;
- ✓ At no time during are there any property tax appeal(s) while receiving the rebate; and
- ✓ Unit(s) created shall be affordable housing unit(s) as defined in this CIP program.

4.2 Development Charge Rebate

PURPOSE

To reduce the costs of development or redevelopment for affordable housing, a property is eligible to receive a rebate for development charges associated with the development, if the development includes the construction of a new affordable housing unit(s).

DESCRIPTION

The assistance will be in the form of providing a rebate up to 100% of the Municipality's portion of the development charges associated with any new affordable housing unit. In the case of a development which includes both affordable and market housing, the development charge rebate is calculated based on the proportion of unit(s) that are affordable.

DETAILS

A rebate of up to 100% of the cost of development charges associated with the creation of affordable housing units. The rebate is given in the form of a lump sum, upon the issuance of occupancy for the applicable affordable unit(s).

ELIGIBILITY

- ✓ The property is located within the municipal boundaries;
- ✓ Application is received prior to any applicable planning or building permit application(s);
- ✓ Unit(s) created shall be affordable housing unit(s) as defined in this CIP program; and
- ✓ One of the following:

- A new residential building consisting entirely of affordable housing unit(s): 100% of development charges are eligible for rebate

OR

- A new residential or mixed-use building consisting partly of affordable housing units: rebate is prorated based on the percentage of affordable housing units to total units.

4.3 Affordable Additional Residential Unit (ARU) Rebate

PURPOSE

To encourage the creation of new affordable housing units as ARUs, relief is provided for renovating existing dwellings to create a new affordable housing ARU or renovating an accessory structures to include new affordable ARU; or provide relief for the construction of new affordable ARUs as part of a new dwelling or within a new accessory building.

DESCRIPTION

The rebate aims to reduce costs associated with building affordable ARUs. The rebate applies to professional studies and drawings, as well as on-site work such as the construction of the affordable ARU.

DETAILS

The rebate is provided upon completion of the affordable ARU and must be accompanied by documentation of costs associated with the professional studies, drawings, and construction.

For renovation of existing buildings or new buildings, the rebate available is 50% of the costs up to \$10,000, whichever is less.

ELIGIBILITY

- ✓ The property is located within the municipal boundaries;
- ✓ Application is received prior to any applicable planning or building permit application(s);
- ✓ Rebate 1:
 - Property owners who renovate an existing dwelling or accessory structure to accommodate a new affordable ARU are eligible to receive a maximum rebate of 50% of the works up to \$5,000 to reduce costs associated with the renovation.
 - Proof of paid invoices for materials and/or professional work related to creating the ARU must be submitted to the Municipality within one year of the latest invoice date.

- ✓ Rebate 2:
 - Property owners who build a new affordable ARU within a new dwelling or new accessory building are eligible for a rebate of 50% up to \$10,000, to reduce costs associated with the development.
 - Proof of paid invoices for the construction of the legal accessory unit that must be submitted to the municipality within one year of the latest invoice date.

4.4 Required Plans and Studies Rebate

PURPOSE

To support the creation of affordable housing units by aiding in the cost of required plans and studies for a new development on a vacant or under-utilized property, or rehabilitation/retrofit of an existing building which includes new affordable housing unit(s).

DESCRIPTION

This rebate is provided as financial assistance for required plans and studies, for a planning application and building permit application. The plans and studies should address common development requirements including but not limited to, structural analysis, planning justification reports, soil studies, servicing feasibility studies and plans, and architectural concept plans, designs and renderings.

DETAILS

The rebate is provided upon completion of the units. The rebate will cover a maximum of 50% of the costs, to a maximum of \$10,000, whichever amount is lower. All plans and studies must be provided to the Municipality to review for approval, before the rebate is provided. The rebate is provided directly to the property owner, not to the party responsible for the preparation of the studies or plans.

ELIGIBILITY

- ✓ The property is located within the municipal boundaries;
- ✓ Application is received in writing at the time of making any planning application(s) or building permit application;
- ✓ The plans and studies are ones that are identified by the Municipality at the pre-consultation stage for a planning application and/or are required by the Ontario Building Code for a building permit application. Unit(s) created shall be affordable housing unit(s) as defined in this CIP program; and
- ✓ Proof of work by a qualified engineer, architect, planner, or other professional as approved by the Municipality in the form of invoicing is required.

4.5 Municipal Incentive Rebate

PURPOSE

This rebate is intended to encourage the development of affordable housing by reducing the fees that are required by the Municipality or other agency for Planning Act and Ontario Building Code applications.

DESCRIPTION

This rebate provides financial relief for new development or redevelopment of existing buildings or sites for the purpose of creating affordable housing units. The rebate applies to the following:

- Official Plan Amendments
- Zoning Amendments
- Consents to Sever Land
- Other as approved by the Municipality.
- Site Plan Control
- Minor Variances
- Building and Demolition Permits

DETAILS

The rebate is provided after the complete application and fees have been received, and the units are built. The rebate will be determined on a case-by-case basis, with up to \$10,000 of the fee being reimbursed. The Municipality has the authority to decide whether the entire fee amount is covered, or a percentage thereof and if agency fees are eligible for this rebate. The Municipality provides the rebate directly to the property owner, not the Municipality or agency.

ELIGIBILITY

- ✓ The property is located within the municipal boundaries;
- ✓ Application is received in before making an application(s) for a planning application or building permit application, whichever is required first; and
- ✓ Demonstration of what fees are required such as a list of applicable planning application fees, building permit fees, cash-in-lieu of parkland and agency review fees related to a planning or building permit application.

5.0 As We Heard It

The Municipality of Mississippi Mills released a public online survey as part of its public consultation efforts for the new Affordable Housing Community Improvement Plan. The survey consisted of 12 questions aimed at gathering feedback and perception from the public on the status of affordable housing in the municipality, as well as what could be done to better the affordability of rental housing through a CIP. The survey asked questions regarding housing type, size, income, consideration of housing costs in relation to income, availability of housing in the community, types of housing best suited to the municipality, and barriers towards housing.

The survey received a total of 215 responses in the 21 days that it was live. This quantity of feedback alone exemplifies the high interest in affordable housing from residents of the Municipality (95% of respondents reside in Mississippi Mills). This data is useful for the project team for the CIP and provides general knowledge for future works in/by the Municipality.



Responses showed overwhelming support for new affordable housing developments in the community, with most respondents (about three-quarters) answering 'Yes' to the question "Would you support a new affordable housing development in your neighbourhood?" and only a small minority answering 'No'.

The most frequently cited barrier to housing is 'high rent/home prices,' followed by a lack of available housing units and insufficient funding support from various levels of government. This indicates that affordability and supply are the primary concerns.

Nearly all respondents consider it 'extremely important' for the local government to enable housing development, highlighting a strong expectation for municipal action to address these challenges.

The survey indicated that 55% of respondents spend more than 30% of their pre-tax income on housing, with 37% of respondents spending less than 30% of their pre-tax income on housing and 8% being unsure. This is significant in relation to the definition of "Affordable" from the Provincial Planning Statement, 2024 (PPS), which is the guiding definition for the CIP.

The definition states that

"Affordable means: in the case of rental housing, the least expensive of 1. a unit for which the rent does not exceed 30 percent of gross annual household income for low- and moderate-income households; or 2. a unit for which the rent is at or below the average market rent of a unit in the municipality."

These findings suggest that affordability, supply, and government support are central concerns for residents, and there is broad community backing for initiatives to address

these issues. The written responses to Question 12, which asks for additional feedback, reflect a deep concern about the lack of affordable and accessible housing in Mississippi Mills, especially for low-income seniors, youth, and single individuals. Respondents advocate for mixed-income developments, flexible housing options, and infill housing to replace substandard stock, while emphasizing the need for other amenities to support these housing developments (green space, parking, etc.) There's strong support for simplifying the permitting process, reducing taxes and utility rates, and regulating short-term rentals to preserve housing stock. Infrastructure—roads, water, power, and public transit—is repeatedly cited as inadequate to support new developments, and there's skepticism about whether the town has long-term planning in place.

The responses also call for clearer definitions of “affordable housing,” and transparency around developer incentives. Suggestions include taxing owners of multiple properties, exploring co-housing and tiny home models, and learning from nearby towns like Carleton Place. Concerns about rising costs, stagnant wages, and limited local employment opportunities underscore the importance of this issue in the Municipality.

In reviewing the responses, the project team notes that not all comments directly relate to issues brought forward by the CIP, or issues that can be resolved through the CIP incentives. That said, the depth of responses has provided the municipality with valuable information to help understand the challenges facing the community and will help inform future decision making.

6.0 Conditions for Financial Incentives

Conditions on any program are to ensure that affordable rental housing units do not turn over into unaffordable, market rate, housing stock. This is normally done for an agreed upon term such as a 10-year or 20-year obligation to provide below market rent. This CIP requires a 10-year obligation.

Conditions relating to the following list will apply to eligible applicants who qualify for the incentives related to affordable housing development:

1. The development conforms with all planning policies and municipal by-laws. There shall be no outstanding work orders issued by the Municipality against the property. In the event a work order exists, the work order must be complied with to the satisfaction of the Municipality prior to an application being processed or approved.
2. The applicant must be in good standing with the Municipality, including taxes fully paid. In the event that tax or other financial arrears are owing to the Municipality, all arrears must be eliminated prior to an application being approved.
3. The Municipality shall not be responsible for any costs incurred by an applicant in relation to applying for any of the incentive programs and any works, such as plans

and studies commenced after applying for a CIP, but prior to application approval are done at the applicant's risk.

4. During preparation of the Municipality's annual budget, the Municipality shall determine the contribution to be made available to each program for new applications.
5. Incentive programs shall not be eligible for performance securities posted by the applicant, or for any appeals under any legislation.
6. The property owner must sign an agreement with the Municipality of Mississippi Mills which includes conditions relating to:
 - Details of each unit receiving a benefit must meet the current program definition of "affordable housing."
 - The agreement will be registered on the property's title, at the sole cost of the applicant, and will apply to all future owners.
 - The housing provider must send an annual report to the Municipality confirming that each unit remains affordable.
 - If the housing provider fails to meet the terms of the agreement, the full amount of benefits received must be repaid, plus any applicable costs and interest.
 - The agreement will also include standard legal provisions, along with any additional requirements specific to the project, as deemed appropriate by the Municipality.
 - For the applicant to qualify for the rebate each year, documentation that every rental unit still meets the affordability criteria outlined in the Plan is required to be provided, including signed lease agreement(s) for each unit with the required affordable rental rate.
 - For agreements in place for programs that are on-going (such as the TIER), the Municipality will ensure that funds are available for the entirety of the agreement for the applicant.

7.0 Implementation and Monitoring

7.1 CIP Process

The development of the CIP is funded by HAF, a CMHC program designed to support the construction of more housing in municipalities.

It is proposed that projects would be selected for participation based on eligibility and the ability to create the most affordable housing.



Programs under the CIP may be offered at the discretion of Council, and these can be established or rescinded by Council without an amendment to the CIP.

The process to participate in the program is as follows:

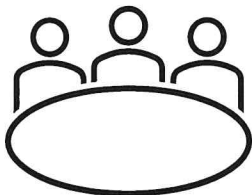


1. **Pre-consultation meeting:** The applicant engages in a pre-consultation meeting with municipal staff to discuss the proposed development, programs of interest and initial review of eligibility.
2. **Submit application:** The applicant submits their application to the Municipality based on outcomes from the pre-consultation meeting.
3. **Application review:** The Municipality reviews the application for completeness and eligibility and determines if the application is successful. The Municipality may recommend revisions to the application.
4. **Agreement:** The Municipality prepares an agreement based on the works to be completed and sends to property owner to review and sign. The agreement is registered on title.
5. **Project work:** The applicant carries out the work as described in the agreement. Municipal staff may inspect the work as the project progresses.
6. **Work completion:** The Municipality reviews the work in alignment with the details of the agreement for completeness.
7. **Issuance of Grant:** The Municipality issues the grant once the work has been deemed complete.

7.2 Monitoring of the Program

CIP Budget

A budget will be determined for the CIP on an annual basis. These funds will either be allocated to a specific community improvement program(s) or to a general fund to be used for any of the programs outlined above. Various approaches to long-term financing of the CIP may be implemented, including the establishment of a reserve fund for those funds that are unspent within a calendar year. Council reserves the right to add or remove programs to the CIP. Funding may only be provided for certain programs at a time.



Rebates will be offered based on the funding available in the current fiscal year. If an application cannot be processed during that fiscal year, it may be evaluated in a future year, depending on available budget. In some cases, the maximum funding for a rebate might need to be adjusted to align with budget constraints.

CIP applications may be approved for an amount lower than the indicated entitlement or program maximum if the annual budget cannot cover the eligible amount. Municipal staff will work with the applicant to revise the funding request to align with the CIP budget. If the requested amount exceeds what is available for that year, the applicant can choose to push their application over to the next fiscal cycle to apply for funds through that year's allocation.

Intake of applications are received on a first come, first serve basis.

The Municipality reserves the right to discontinue any given program at any time. Any existing applicants approved for incentives of the program at the time of discontinuation will continue to receive the approved rebate until the development is complete.

Monitoring

Municipal Staff will track participation and outcomes of the Affordable Housing CIP on an annual basis to evaluate progress towards affordable housing, participation and annual uptake. Staff will track the following:

- Application Tracking
 - Maintain a database of all submitted, approved, and declined applications with details including the project type, applicant information, funding amount requested/approved, and project status.
- Eligibility and Compliance
 - Ensure funded projects meet CIP criteria.
 - Conduct spot checks or require post-completion documentation.
- Project Completion
 - Monitor implementation timelines and completion dates as indicated in the rebate agreement.

- Confirm the required deliverables prior to the release of any rebate funds.
- Financial Oversight
 - Track disbursement of the rebate funds.
 - Maintain up to date financial records and budgets.
 - Identify trends in funding utilization across project types.

Each year, an Annual Program Participation Report will be presented to Council that includes:

- Summary of applications approved, denied, deferred to following year
- List of completed projects and their outcomes
- Financial overview of the program (funds allocated, spent, and remaining)
- Observations and recommendations for any modifications to the program(s)
- Insights into community impact (e.g. housing accessibility, neighbourhood revitalization)

Appendix A – Legislative and Policy Framework

Legislative Review

Municipal Act

Municipalities are prohibited from directly or indirectly assisting industrial or commercial businesses by granting bonuses, as set out in Sections 106(1) and (2) of the *Municipal Act*.

There are minimal exceptions to this prohibition. Under Section 106.1, added under Bill 185, the Lieutenant Governor in Council may make regulations for municipalities to grant direct assistance to specified manufacturing, industrial, or commercial businesses during a specified period, if deemed desirable for provincial interests and investment.

Section 106(3) provides an exception to this bonusing rule for municipalities exercising powers under the provisions of Section 28(6), (7), or (7.2) of the *Planning Act*, which allows municipalities to pass a by-law designating a Community Improvement Project Area and specifying a community improvement plan. In addition, Section 365.1 of the *Municipal Act* operates within the framework of Section 28 of the *Planning Act*. Section 365.1(2) of the *Municipal Act* allows the Municipality to pass a By-law providing tax assistance to an eligible property in the form of deferral or cancellation of part or all the municipal taxes levied on that property during the rehabilitation period and development period of the property, both as defined in Section 365.1(1) of the *Municipal Act*. The Municipality may also apply to the Minister of Finance to provide matching education property tax assistance.

Since the Mississippi Mills CIP is focused solely on providing incentives for development of affordable housing, the policies in the *Municipal Act* do not apply.

Planning Act

Section 28 of the *Planning Act* allows the Municipality, through its Official Plan, to designate a "Community Improvement Project Area" by adopting a By-law that implements the objectives of a CIP for the Community Improvement Project Area. A project area is the geographic area where the CIP would apply; specifically the *Planning Act* defines a "Community Improvement Project Area" (CIPA) as "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 the buildings or for any other environmental, social or community economic development reason."

Once a CIPA has been adopted by Council and comes into effect, the Municipality may exercise authority under Section 28(6), (7), or (7.2) of the *Planning Act* or Section 365.1 of the *Municipal Act* for Section 106(3) of the *Municipal Act* to be applied.

'Community Improvement' is "the planning or replanning, design or redesign, 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 therefore, as may be appropriate or necessary,” as defined in Section 28(1) of the *Planning Act*.

Through a CIP, the Municipality may:

Acquire, hold, clear, grade, or otherwise prepare land for community improvement (Section 28(3) of the *Planning Act*);

Construct, repair, rehabilitate, or improve buildings on land acquired or held by it in conformity with the Community Improvement Plan (Section 28(6) of the *Planning Act*);

Sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the Community Improvement Plan (Section 28(6) of the *Planning Act*); and

Make grants or loans, in conformity with the Community Improvement Plan, to registered owners, assessed owners and tenants of land and buildings within the Community Improvement Project Area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for whole or any part of the eligible costs of the Community Improvement Plan (Section 28(7) of the *Planning Act*).

The first three activities are within the Municipality's responsibility to direct and implement and are discussed further in Section 5.0 of this report. The latter activity, while incentivized by the Municipality, is implemented through the private sector, by property owners who take part in the CIP. It is the encouragement of these private sector investments which form the basis of this report and recommended CIP program. These private sector investments can be undertaken by a private developer, non-profit organization, or other groups.

The *Planning Act* further specifies the following for CIP programs:

Amending the CIP requires consultation with approval authorities and the public, including a public meeting, and the Community Improvement Plan's review by the Ministry (Section 28 (5& 5.1)).

Eligible costs of a CIP may include 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. (Section 28 (7.1)).

The total of all grants, loans, or tax assistance given by the Municipality cannot exceed the total eligible funds of the CIP program (Section 28 (7.3)).

Following adoption of the CIP by Council, within 20 days of the notice of adoption, the CIP may be appealed by MMAH or delegated approval authority, a registered property owner of land to which the plan would apply, a specified person (e.g.,

utility company, railway operator etc.) or public body who made oral submissions at the public meeting or provided written comments to Council (Section 17).

Policy

Provincial Planning Statement 2024

The Provincial Planning Statement (PPS) is issued under Section 3 of the *Planning Act* and is intended to guide municipalities in making planning decisions. The *Planning Act* requires that municipal decisions in respect to the exercise of any authority that affects a planning matter “*shall be consistent with*” the PPS.

Section 2.2.1 of the PPS states the following:

- a) *Establishing and implementing minimum targets for the provision of housing that is affordable to low and moderate income households and coordinating land use planning and planning for housing with Service Managers to address the full range of housing options including affordable housing needs;*
- b) *Permitting and facilitating:*
 - 1. *all housing options required to meet the social, health, economic and well-being requirements of current and future residents, including economic and well-being requirements of current and future residents, including additional needs housing and needs arising from demographic changes and employment opportunities; and*
 - 2. *all types of residential intensification, including the development and redevelopment of underutilized commercial and institutional sites (e.g., shopping malls and plazas) for residential use, development and introduction of new housing options within previously developed areas, and redevelopment, which results in a net increase in residential units in accordance with policy 2.3.1.3*

The PPS defines *Affordable* as the following:

“Affordable: means

- a) in the case of ownership housing, the least expensive of:

- 1. 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
- 2. housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the municipality;

- b) in the case of rental housing, the least expensive of:

- 1. a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or

2. a unit for which the rent is at or below the average market rent of a unit in the municipality."

The CIP will follow the definition of Affordable as described in the 2024 Provincial Planning Statement.

By providing more opportunities for housing, specifically affordable housing, the proposed CIP is consistent with the Provincial Planning Statement.

Lanark County Sustainable Communities Official Plan

The Lanark County Sustainable Communities Official Plan (SCOP) was approved by the Ministry of Municipal Affairs and Housing ('Ministry') as an office consolidation in 2024, which includes amendments 1-12.

The SCOP outlines that Lanark County is intended to experience a growth rate of 3% per year over the next 20 years, and that planning for this growth is a key aspect of the plan. As well, it states that a broad range of housing types will be permitted in local municipal planning documents in order to meet the requirements of a growing population.

Section 8.2.6 of the SCOP states that local municipalities are encouraged to develop policies in their local Official Plans regarding Community Improvement Plans and plan areas.

Section 8.2.9 of the SCOP outlines policies related to Affordable Housing, stating the following:

Council and local Councils will provide for affordable housing by enabling a full range of housing types and densities to meet projected demographic and market requirements of current and future residents of the County by:

- 1. Monitoring the need for social assisted housing for households and seniors through periodic surveys in co-operation with area municipalities. Where specific needs are identified, Council will work with the Ministry of Municipal Affairs and Housing and the Social Services Department of the County of Lanark to meet identified needs.*
- 2. Encouraging infill and housing intensification particularly in urban core areas. This may be achieved through the conversion of single detached dwellings to multiple units, through re-development at higher densities, through land severances on large under-utilized lots which create opportunities for development on the severed lot (subject to the relevant policies elsewhere in this plan) and through infill on vacant lands.*
- 3. Ensuring a minimum 10-year supply of residential land at all times.*

4. *Working with the development industry to ensure that a 3-year minimum supply of registered or draft approved lots and blocks for new residential development is available at all times.*
5. *Monitoring population projections and the residential development targets discussed in section 1.0 of this Plan.*
6. *Encouraging cost-effective development standards and densities for new residential development to reduce the cost of housing.*

The SCOP states that *"The Provincial Policy Statement includes definitions of numerous significant terms used in its policies. These definitions will apply to instances in this Plan where the same terms are used"* as such, the definition of Affordable Housing for the purposes of this CIP comes from the Provincial Planning Statement, 2024, as written in Section 3.1 of this report.

Based on the above, the creation of a local Community Improvement Plan which focuses on providing opportunities for developing affordable housing conforms with the policies in the County Sustainable Communities Official Plan.

Municipality of Mississippi Mills Community Official Plan

The Community Official Plan (COP) was adopted on December 13, 2005, and approved by the Ministry on August 29, 2006, and was updated as part of the 5 year review in 2018, approved with modification by Lanark County in 2019, and updated again by Official Plan Amendments 21, 22 and 32. It outlines the goals, objectives, and policies which guide the growth and change of the Municipality of Mississippi Mills. The COP provides a consistent policy framework to guide public and private sector decisions and investment within the Municipality.

Section 2.5.1 outlines the Municipality's growth and settlement goals and objectives, which include:

- *Establish a growth strategy which promotes an orderly pattern of development, maintains the area's rural and small-town character and which represents a logical expansion of built-up areas.*
- *Ensure that the rate of growth is consistent with the Municipality's ability to manage such development.*
- *Require the majority of new development to be on municipal sewer and water services, including communal systems.*
- *Establish an inventory of lands which are available for development, as well as those that should be protected from development.*
- *Require new growth and development to pay its fair share of growth- related costs.*

- *Encourage new growth and development to use environmentally sustainable and energy efficient building practices that encourage use of responsible, local materials and services, such as LEED®.*
- *Authorize the use of second residential units and compatible intensification or redevelopment to assist with the provision of affordable housing.*

Section 3.6.3 of the COP outlines policies related to affordable housing, including the following:

Council will provide for affordable housing by enabling a full range of housing types and densities to meet projected demographic and market requirements of current and future residents of the municipality by:

1. *Monitoring the need for social assisted housing for households and seniors through periodic surveys in co-operation with area municipalities. Where specific needs are identified, Council will work with the Ministry of Municipal Affairs and Housing and the Social Services Department of the County of Lanark to meet identified needs.*
2. *Encouraging infill and housing intensification particularly in urban core areas. This may be achieved through the conversion of single detached dwellings to multiple units, through redevelopment at higher densities, through land severances on large under-utilized lots which create opportunities for development on the severed lot (subject to the relevant policies elsewhere in this plan) and through infill on vacant lands.*
3. *Ensuring a minimum 10-year supply of residential land at all times.*
4. *Working with the development industry to ensure that a 3-year minimum supply of registered or draft approved lots and blocks for new residential development is available at all times.*
5. *Monitoring population projections and the residential development targets discussed in this Plan.*
6. *Encouraging cost-effective development standards and densities for new residential development to reduce the cost of housing. The Municipality shall encourage an adequate supply of affordable housing.*
7. *The Municipality shall attempt to have 25% of all new residential construction affordable. In a given year the residential development may meet, exceed or fall short of the 25% target and therefore, to achieve a more realistic picture of the progress made in achieving this target, three-year averages shall be used to meet affordable housing objectives.*

8. *The Municipality shall ensure that the Zoning By-law does not require standards which preclude the development of affordable housing, especially as it relates to house and lot sizes.*
9. *The Municipality may use incentives, such as reduced development charges or the increased height and density provisions in order to achieve the affordable housing policies of this Plan.*

Section 5.3.14 of the COP outlines policies related to Community Improvement, summarized as follows:

- *Community Improvement Project Area by-laws may be passed by the Municipal Council in accordance with the provisions of Section 28 of the Planning Act, for the purpose of community improvement as defined in Section 28 of the Planning Act including upgrading, redeveloping and rehabilitating the physical environment of older neighbourhoods, recreational areas, commercial centres, industrial areas, institutional and public buildings and areas, or other uses, buildings, works, improvements or facilities, or spaces as may be appropriate or necessary.*
- *A part or the whole of the Municipality may be designated as a Community Improvement Project Area by by-law in accordance with Section 28(2) of the Planning Act, based on the following criteria:*
 - *Evidence exists of a need to improve municipal services such as roads, sidewalks, street lighting, parking, sewers, water supply, parks and recreation, community facilities, the waterfront area or streetscaping. Improvements may apply to some or all of the listed services.*
 - *The cleanup and redevelopment of brownfield properties will be facilitated. The phasing of improvements corresponds to the timing of improvements by senior governments and is within the financial capability of the Municipality.*
 - *A significant number of buildings in an area show signs of deterioration and need of repair.*
 - *Improvements to the visual appearance or aesthetics are required.*
 - *Improvements will have a significant impact on strengthening the environmental, economic and/or social base of the community.*

Based on the above policies, the creation of an affordable housing community improvement plan conforms with the Municipality's Community Official Plan.