



## Staff Report

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**Report To:** South Huron Council  
**From:** **Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk**  
**Date:** April 15 2024  
**Report:** CAO#03-2024  
**Subject:** Proposed Consultation for Community Improvement Plan (CIP)

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### **Recommendations:**

**That South Huron Council receive the report from Rebekah Msuya-Collison, Chief Administrative Officer re: Proposed Consultation for Community Improvement Plan (CIP); and**

**That Council authorize the CIP consultations include the entirety of the Municipality of South Huron and the scope to include consultations on:**

- **Additional Residential Units/CIPA Housing Program**
- **Main Street Revitalization Program**
- **Energy Efficiency and Retrofit Program**
- **Building Restoration, Renovation, or Improvement Program**

### **Purpose:**

Approval.

### **Background and Analysis:**

Council at their August 8, 2022 meeting received a report on Affordable and Attainable Housing Policy Strategies/Framework and passed resolution 271-2022 which included incorporating a Community Improvement Plan, the approval of the initiation of a full Official Plan Review for 2023 to be completed in 2024 (4<sup>th</sup> Qtr.).

At the March 27, 2024 Special meeting, Council received a report from County Planning staff and hosted the public meeting pursuant to Section 26 of the Planning Act to receive public input on potential revisions to the Official Plan. Further to discussions with County planning staff, it was determined that public consultation and community tables for the CIP could happen concurrently with Official Plan Review consultations.

The CIP project is aligned with Council's Strategic Priority for planning and managing sustainable growth. In addition, through the development and implementation of a CIP, the municipality can incentivize economic development across a range of sectors, reinforce a culture of strong municipal leadership and assist with the improvement of the public/private realms in strategic locations of the community.

Prior to moving forward with consultation staff require overall direction and guiding principles for the scope of the consultation. This will provide guidance to the project team in engagement activities to ensure informed recommendations to Council.

## **Provincial Legislation**

### ***Municipal Act***, S.O. 2001, c.25

Under Section 106 of the Municipal Act, a municipality cannot provide assistance to any manufacturing business or other industrial or commercial enterprise through the granting of "bonuses". Assistance in the form of a "bonus" includes:

- giving or loaning any municipal property or money;
- guaranteeing the borrowing, leasing or selling of any municipal property below fair market value; and/or,
- giving partial or full exemption from any levy, charge, or fee (i.e. development charges, building permit fees).

Notwithstanding this, Section 106 (3) states that municipalities can provide assistance in the carrying out of a Community Improvement Plan (CIP) adopted under Section 28 of the Planning Act.

### ***Planning Act***, R.S.O. 1990, c. P.13

Section 28 of the Planning Act outlines the authority and means with which community improvement planning can be undertaken by Ontario municipalities. This section states that where there is an official plan in effect within a municipality that contains provisions respecting community improvement, a municipal council may designate all or part of the area

covered by the official plan as a Community Improvement Project Area or "CIPA". Council may then prepare and adopt a Community Improvement Plan (CIP) to help facilitate the improvement goals of the municipality.

While the Act does allow for a considerable amount of flexibility in how municipalities can structure and administer their incentive programs, it does outline some general criteria for what constitutes an "eligible cost" for funding under a CIP, which municipalities must adhere to. These "eligible costs" generally include:

- environmental site assessment or remediation;
- development/redevelopment;
- construction and reconstruction of lands and buildings for rehabilitation purposes; and,
- provision of energy efficient uses, building, structures, works, improvements, or facilities.

### **Ontario Heritage Act**, R.S.O 1990, c. O.18

Under Section 39 of the Ontario Heritage Act, a municipal council may pass by-laws providing for grants and/or loans to the owner of a heritage property designated under Part IV of the Act for the purpose of paying for all or part of the costs associated with altering the property. CIPs commonly contain goals and incentive programming related to the preservation or enhancement of heritage buildings and properties within the community; designated or not.

### **Community Improvement Project Area**

Pursuant to Section 28 of the Planning Act, the Municipality must identify a Community Improvement Project Area (CIPA) to which the CIP will apply. Staff recommend the entirety of the Municipality of South Huron to be designated a CIPA. Designating the entire Municipality will allow the CIP to be developed as a more flexible document, able to strategically address different sectors and geographical areas across a low density, rural landscape. In recognition of this broad designation, it will be important to ensure that CIP programming is appropriately scoped to address specific matters in specific areas, where appropriate.

Alternatively, the Municipality may opt to designate one or more geographically specific CIPAs. South Huron's previous Plan was focused on Exeter as the project area and there were five community improvement districts identified. See Section 3.2 of the attached 2012 document. In 2016, Council received a report that outlined proposed incentives contained in the 2012 CIP study, which report is also attached for Council reference.

These documents will also form part of staff review prior to providing recommendations to Council.

### **Program Selection**

While there is no limit to the number of incentive programs the Municipality can offer, careful consideration should be given to the administrative resources and budget required to effectively implement them. The Municipality is also encouraged to prioritize program selection based on anticipated uptake and outcomes sought. This ensures that the CIP is not 'diluted' and can be focused.

Staff recommend that this program be used to promote the beautification of public spaces, affordable and attainable housing improvements, and economic development in the Municipality. Strategically targeted incentives can reduce costs incurred and increase the likelihood of businesses taking steps towards improving the buildings, provide accessibility, and contribute to an enhanced commercial streetscape. Staff recommendations for the scope of the consultation include:

- Additional Residential Units/CIPA Housing Program - to stimulate investment in interior building renovations or building expansions;
- Main Street Revitalization Program- to stimulate private sector investment linked to public strategies for community planning;
- Energy Efficiency and Retrofit Program - to improve the safety and efficiency of existing commercial and mixed-use buildings located within the CIPA
- Building Restoration, Renovation, or Improvement Program - to stimulate and leverage private sector investment within the CIPA for revitalization and re-investment to improve the viability of older commercial buildings.

### **Final Considerations**

In addition to any financial incentives there may be other initiatives not necessarily dealt with directly in the CIP, but looking further into them could improve outcomes for CIP programming and implementation and assist with the longer-term success of the plan:

- Ensuring supportive policies for the establishment of Additional Residential Units (ARUs) in accordance with provincial policy and legislation (Section 16(3) of the *Planning Act*). These will be updated and reviewed with the OP Review and concurrent zoning by-law to ensure more attainable housing options can be supported.

- Ensuring all community improvement projects (whether supported through a CIP or not) are celebrated on all available channels (i.e. Facebook, or the municipal website). This will help instill a stronger culture of improvement.

Pursuant to the requirements of the Planning Act, this Plan must be adopted and implemented by way of by-law. The by-law will designate the entire Municipality of South Huron as a Community Improvement Project Area and adopt the Municipality of South Huron CIP.

### **Financial Impact:**

There is \$280,000 in the reserve for the CIP, annually the municipality budgets \$35,000 to the CIP.

### **Staffing Impact:**

The staffing implications for the Corporation as a result of the actions outlined in this report are undetermined at this time. Huron County Planning staff will be working with South Huron staff throughout the project.

### **Policies/Legislation:**

*Municipal Act*  
*Planning Act*  
*Heritage Act*

### **Consultation:**

Mike Rolph, Director of Building and Planning Services/CBO  
Denise Van Amersfoort, Senior Planner  
Celina McIntosh, Planner

### **Related Documents:**

Exeter Community Improvement & Streetscape Design Plan 2012  
Staff Report – January 26, 2016 – CIP – Incentive Programs

Respectfully submitted,

**Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk**

**Report Approval Details**

Document Title:	CAO03-2024 - Community Improvement Plan.docx
Attachments:	<ul style="list-style-type: none"><li>- By-Law 73-2012 - Designate CIP Area.pdf</li><li>- 2016-04-18-S McAuley-Council Report - CIP Grant Applicaiton Final.docx</li><li>- CISDP Incentive Programs - Information Package - April 2016.pdf</li></ul>
Final Approval Date:	Apr 11, 2024

This report and all of its attachments were approved and signed as outlined below:

**Alex Wolfe - Apr 10, 2024 - 2:41 PM**

**Julia Warwick - Apr 10, 2024 - 3:29 PM**

**Rebekah Msuya-Collison - Apr 11, 2024 - 9:22 AM**