

Amendment to the Burlington Affordable Rental Housing Community Improvement Plan

DETAILS OF THE AMENDMENT

1.0 Text Changes

The amendment includes the changes to the text of the Burlington Affordable Rental Housing Community Improvement Plan as described in the following table:

Item No.	Section	Description of Change
1	Cover Page - Title	Delete Title “Affordable Rental Housing Community Improvement Plan” and replace it with “Burlington Housing Community Improvement Plan”
2	2 - CIP Goals and Objectives	Add a NEW bullet point to Section 2 as follows: <ul style="list-style-type: none"> • Support new targeted, time-limited CIP programs to address housing needs in a timely manner to accelerate the delivery of missing middle, affordable and large sized unit types.
3	5 - Financial Incentive Programs	Add a NEW subsection after subsection 5.8 as set out in Attachment 1.
4	6 - Implementation	Add a NEW subsection after subsection 6.7 as follows: 6.8 Housing Community Improvement Plan All references to the “Burlington Affordable Rental Community Improvement Plan” or “Affordable Rental Housing Community Improvement Plan” in this CIP document shall be a reference to the “Burlington Housing Community Improvement Plan” or “Housing Community Improvement Plan”.
5	Appendix A – Community	Delete Title “Burlington Affordable Rental Housing Community Improvement Project Area” and replace with

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	Improvement Project Area	“Burlington Housing Community Improvement Project Area”.
6	Appendix B – Additional Program Details and Eligibility Criteria	Add NEW text to the end of Appendix B as set out in Attachment 2.

Attachment 1

5.9 Temporary Programs

The following programs are temporary. Application submissions will be accepted from June 22, 2026, to December 31, 2027, subject to funding availability, respective temporary program requirements and relevant caps and spending limitations. Temporary Program details can be found in Appendix B, Additional Program Details and Eligibility Criteria.

Temporary Program General Objective

To support the private and not-for-profit/non-profit housing sector with a made-in Burlington targeted, time-limited housing-focused suite of incentive programs. The temporary programs are intended to accelerate the delivery of missing middle, affordable and larger sized unit types, considering both ownership and rental options. While limited to the City's scope, assigned funding and influence, the programs will be calibrated to support the delivery of a variety of housing options that meet the needs of residents at all ages and stages of life and that are attainable at all income levels to meet the City's broader population expectations and assessment growth objectives.

General Temporary Program Eligibility

Notwithstanding the General Program Eligibility criteria in Chapter 5 of this Plan, the Program Eligibility criteria of the Temporary Programs found below shall apply.

Housing projects will be given consideration under this Plan subject to satisfying the following general eligibility criteria, in addition to the program eligibility criteria outlined in Appendix B, Additional Program Details and Eligibility Criteria:

- **Location:** The subject property must be located within the designated CIPA, as shown in Appendix A of this Plan.
- **Eligible Dwelling Unit:** For the purpose of these temporary programs, an Eligible Dwelling Unit means a new residential unit, that is subject to residential development charges, that meets all of the following criteria:
 - A building permit has been issued to authorize the building of the unit's superstructure;
 - The unit is located within a townhouse (including street oriented, stacked or back-to-back forms) or multi-residential or mixed-use multi-residential

development, or any combination thereof, but does not include single or semi-detached, duplex or Additional Residential Units.

- **Eligible Costs:** In accordance with Section 28(7) of the *Planning Act*, an incentive program cannot provide grants or loans that exceed eligible costs for a property. When stacking temporary CIP incentive program grants, the total combined grant funding shall not exceed the eligible costs.
- **New Dwelling Unit:** Financial Incentives will only be provided for successful applications that will result in the creation of one or more net new housing units as permitted by the Burlington Official Plan and applicable Zoning By-law requirements, and in accordance with the Program Eligibility Criteria set out in subsection 5.9 and in Appendix B of this Plan. Units resulting from conversions of existing ownership dwelling units or demolition of existing rental units without replacement of such existing rental units, are not eligible.
- **Property Ownership:** Eligibility is restricted to registered or assessed owners of private or public land and buildings including non-profit organizations that hold ownership of the subject property. Applicants must not have any outstanding property tax arrears or other obligations to the City, or utility payment arrears related to the subject property at the time of application and throughout the duration of the financial incentive agreement.
- **Complete Application:** Applications for a financial incentive(s) in this Plan must be complete and will include application forms and supporting materials as required by the City, which may include work plans, cost estimates and contracts, applicable reports, and any additional information required at the discretion of the City to evaluate the proposal.
- **Submission Requirements:** An application for a temporary incentive program under subsection 5.9 of this Plan may be made subject to the following:
 - A project with greater than ten (10) units shall only be submitted after obtaining approval from a site plan application submitted under the *Planning Act*.
 - A project with 10 units or fewer shall only be submitted after a building permit application has been submitted.

- o Application submission may require proof of any other necessary permits; or, at the discretion of the Director of Community Planning, proceed based on alternate agreed upon terms of the City.
 - o These projects must also comply with the Ontario Building Code and all other relevant planning policies, by-laws and standards. An application must also be consistent with any other design guidelines or architectural control guidelines or standards, for example, the Sustainable Building and Development Guidelines.
- **Multiple Financial Incentives:** Applicants may be eligible for more than one financial incentive program under subsection 5.9 of this Plan, as part of a single application, unless otherwise restricted by a program and subject to the General Program Eligibility set out in subsection 5.9 of this Plan. Financial incentives may be combined with other City of Burlington programs, as well as with additional programs and funding offered by the Region of Halton or any other levels of government, organizations, or agencies, including the Canada Mortgage and Housing Corporation (CMHC) and the Federation of Canadian Municipalities (FCM).
- **Affordability Criteria:** Affordable rental units developed under this Plan must be maintained in accordance with the definition of affordable rental unit under this Plan for a minimum time period, as established through the City's legal agreement. To maximize available benefits, an applicant may choose to enter into an agreement for development charges exemption in accordance with the Development Charges Act (DCA), 1997, requiring a minimum 25-year affordability period and other data criterion as established in the DCA. In addition, or alternatively, an applicant may enter into an agreement for the minimum 10-year affordability period specified in the program eligibility criteria in Appendix B. At its discretion, the City reserves the right to enter into an agreement with an eligible applicant for a time period that differs from the minimum affordability period set out in a Temporary Program in Appendix B.
- **Incentive Applicability Period:** Costs incurred before the adoption of the Temporary Programs are not eligible. Financial incentives will not be retroactively applied to work commenced prior to approval of an application for incentives under this Plan.
- **Incentive Eligibility:** Only the residential portion of a development is eligible for the Temporary Programs. Non-residential floor area is not eligible for these incentives.

- **Legal Agreement:** An agreement between the City and the owner, or entities within the non-profit sector may be required, to the satisfaction of the City, for any of the incentives offered by this Plan. An agreement will secure any elements outlined in program requirements including but not limited to:
 - affordability period, if applicable,
 - associated conditions, obligations, and remedies, including repayment requirements and enforcement mechanisms
 - calculation and application of the grants as applicable per program
 - authorizing the City to register a mortgage/charge on title to the property.

- **Construction Timing Eligibility:** Applicants must achieve the following to qualify:
 - Missing Middle Projects (buildings up to 4 storeys)
 - A building permit application must be submitted, satisfactory to the Chief Building Official (CBO) in advance of an application to a Temporary Program under subsection 5.9 of this Plan.
 - Occupancy Permit issuance by December 31, 2027.
 - There is opportunity for limited extensions at the discretion of the Director of Community Planning, dependent upon construction progress reports, project scale and timelines.
 - Midrise and Tall Projects (buildings 5 storeys and taller)
 - A Foundation Permit is issued by December 31, 2026.
 - Above grade building permit is issued by December 31, 2027.
 - There is opportunity for limited extensions at the discretion of the Director of Community Planning, dependent upon construction progress reports, project scale and timelines.

- **Early Program Admission:** Priority evaluation of a CIP application will be given to applications that demonstrate the ability to deliver units quickly, subject to all program eligibility requirements, criteria and funding availability. Priority will be determined by the following criteria:
 - Submission of an application for a financial incentive(s) identified in subsection 5.9 of this Plan that is complete, including application forms and supporting materials as required by the City, and identified in this Plan by September 1, 2026.

- o A formal and complete building permit application satisfactory to the Chief Building Official (CBO) has been submitted by September 1, 2026.
- **Tenant Occupancy:** A residential lease to demonstrate occupancy of the new purpose-built rental dwelling unit or new affordable rental dwelling unit by a tenant for the term of any incentive offered by this Plan will be required to be submitted by the applicant to the City.
- **Phased Developments:** For phased developments, lot severances, or staged condominium registrations that divide a single development into multiple parts, each phase must qualify on its own for this program. Where a phase contains multiple built forms or buildings, each built form or building within that phase shall be assessed against its own applicable eligibility criteria. If a built form or building within that phase does not meet the applicable criteria, that portion of the development is not eligible for the program.
- **City Discretion:** The City or Council reserves the right to reject any application, for any reason, regardless of whether the applicant satisfies the Program requirements. Grounds for rejection could include, but are not limited to, the applicant being involved in litigation with the City. For the purposes of this provision, “applicant” may include, but shall not be limited to: an individual or entity identified in the application form, and where, the applicant is a corporation, any person, or entity holding an interest in that corporation, as determined by the City in its exclusive, absolute, and unfettered discretion. The City may also adjust, reduce, or discontinue payments where Council amends or repeals the Community Improvement Plan, provided that any commitments already executed through a legal agreement shall continue to apply. The City shall have no obligation to issue payment in any year where Council does not allocate sufficient funds and any deferred payment shall not increase the total value of the grant.
- **Director of Community Planning Discretion:** At the discretion of the Director of Community Planning, no single organization can consume more than 50% of the available Temporary Program Funds annually.

5.9.1 Development Charge Reduction Grant – Purpose Built Rental

Development Charge Reduction Grant - Purpose Built Rental Program	This is a grant for up to 100% equivalent to the City portion of the Development Charges for eligible purpose-built rental units subject to program criteria.
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5.9.2 Development Charge Reduction Grant - Ownership

Development Charge Reduction Grant – Ownership Program	This is a grant ranging from 30% to 100%, equivalent to the City portion of the Development Charges for eligible ownership units subject to program criteria.
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5.9.3 Missing Middle Municipal Fee Waiver Program

Missing Middle Municipal Fee Waiver Program	Up to 100% of eligible municipal permit fees set by by-law may be waived for development applications for missing middle housing forms, to a maximum of \$40,000 per project .
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5.9.4 Tax Increment Equivalent Grant (TIEG) – Purpose-Built Rental

Tax Increment Equivalent Grant (TIEG) – Purpose-Built Rental Building Program	<p>Up to 100% of the City-portion of the tax increment provided annually for a period of five (5) years, following project completion and occupancy permit issuance.</p> <p>Three TIEG payout schedules:</p> <ul style="list-style-type: none"> • Rental building: 100% TIEG for Year 1, 20% declining annual TIEG for Years 2 - 5 • Affordable rental building: 100% annual TIEG. Eligibility requirement for a minimum of 15% affordable rental units that remain affordable for a minimum of 10 years • Accessible rental building: 100% annual TIEG. Eligible if the total number of accessible units exceeds the Ontario Building Code minimum requirement by 10%.
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The Tax Increment Equivalent Grant (TIEG) for Purpose-Built Rental Program provides an annual grant equal to a percentage of the City-portion of the municipal property tax

assessment increase generated by a new rental residential building with a minimum of four (4) dwelling units. It is intended to help offset the eligible costs of rental residential building development, redevelopment, adaptive reuse, and major additions.

For affordable rental units, the grant helps offset the revenue loss (i.e. the difference between market and affordable rent) experienced by the housing developer incorporating affordable units in their rental residential building.

5.9.5 Accessible Design Grant Program

Accessible Design Grant Program	Up to \$20,000 for a four-unit housing project and up to \$50,000 per project with five or more units , subject to an evaluation of the proposed development based on the extent to which a project incorporates voluntary universal or barrier-free design, or accessible design practices and features that exceed Ontario Building Code requirements.
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This program provides an additional grant for eligible applications that have been approved for one or more units under one of the temporary programs described in subsection 5.9.

Attachment 2

Temporary Programs Additional Details and Eligibility Criteria

Development Charge Reduction Grant – Purpose-Built Rental

This program provides a grant for a 100% of the City's portion of the residential Development Charges to support the development of more purpose-built rental units.

This program forms a part of the Community Improvement Plan and must be read and applied in accordance with the main document.

Eligibility Criteria

- Must constitute development, redevelopment/adaptive reuse of a property that results in the construction of net new purpose-built rental units.
- Must be a purpose-built rental, eligible unit as defined in subsection 5.9 of this Plan.
- This program may be stacked with other programs.

Eligible Costs

- Grant from 30% to up to 100% of the City's portion of the residential Development Charge for purpose-built rental units. The grant does not apply to the Regional or Educational portion of applicable Development Charges.

Payment

- The Grant will be provided upon the successful issuance of an occupancy permit or at the discretion of the City.
- The City is not responsible for discrepancies between the value of the DC grant at the time of payment and the Development Charge payable at the time of occupancy.

Development Charge Reduction Grant – Ownership

This program provides a financial incentive to support the creation of new ownership units.

This program forms a part of the Community Improvement Plan and must be read and applied in accordance with the main document.

Eligibility Criteria

- All dwelling units must be offered for sale and transferred as ownership housing (e.g., condominium, stacked townhouse, freehold townhouse, or other permitted ownership forms).
- Meets the minimum unit count and unit size thresholds as established in the Additional Eligibility Requirements of this Program.
- Developments that have commenced construction prior to submitting a complete application for the Temporary Development Charge Reduction Grant are not eligible.

Additional Eligibility Requirements for Mid-Rise and Tall Buildings (5 storeys or greater)

- Must be an eligible unit within a Mid-rise or Tall building, 5 storeys or greater. The development shall provide a **minimum of 40% two-bedroom units and 5% three-or-more-bedrooms units**. The development must meet the following minimum dwelling unit sizes for two bedrooms and three-or-more-bedrooms:
 - Two-bedroom dwelling units shall have a minimum floor area of 750 square feet.
 - Three-or-more-bedroom dwelling units shall have a minimum floor area of 950 square feet.

Additional Eligibility Requirements for Low-rise Buildings (up to 4 Storeys)

- Must be an eligible unit within a low-rise development, up to 4 storeys.
- The development shall contain a minimum of 4 dwelling units as per applicable Official Plan policies and Zoning By-law requirements.

Eligible Costs

- For eligible and successful low rise dwelling units: Grant for up to 100% of the City's portion of residential Development Charges.
- For eligible and successful mid-rise and tall buildings: Grant for up to 30% of the City's portion of residential Development Charges.

Payment

- The grant will be provided upon the successful issuance of a building permit for above-grade construction or at the discretion of the City. All required documentation, including proof of unit sizes, unit counts, ownership tenure, and any other materials

specified in the legal agreement, shall be submitted to the satisfaction of the City prior to the release of any payment.

- The grant only applies to the City of Burlington's portion of residential Development Charges. The grant does not apply to the Regional or Educational portion of applicable Development Charges.
- The Director of Community Planning may, at their discretion and subject to funding availability, accept a reduced proportion of two bedroom and three bedroom eligible dwelling units, to a maximum variance of up to 2% from the required two- and three-bedroom proportions where the applicant demonstrates that the reduced mix continues to meet the intent of the program and supports the delivery of eligible units.
- For applications submitted on or before December 31, 2026, the Director of Community Planning may, at their discretion and subject to funding limits accept a maximum variance of up to 5% only from the required two-bedroom proportion where the applicant demonstrates that the reduced mix continues to meet the intent of the program and supports the delivery of eligible units. Where the 5% variance is applied, the required three-bedroom proportion must remain at the proportion established in this CIP.
- The City is not responsible for discrepancies between the value of the DC grant at the time of payment and the Development Charge payable at the time of occupancy.

Missing Middle Municipal Fee Waiver Program

This temporary program is intended to offset the initial costs of development for missing middle housing forms by waiving eligible fees set by by-law.

This program forms a part of the Community Improvement Plan and must be read and applied in accordance with the main document.

Eligibility Criteria

- The project must consist of a multiple dwelling or mixed-use building in a missing middle form. For the purposes of this program, missing middle housing means a residential building that is, up to a maximum of 4 storeys, as permitted by the Burlington Official Plan and applicable Zoning By-law requirements, and in accordance with the unit minimums applicable to this program and the Eligible Dwelling Unit requirements in subsection 5.9 of this Plan.

The following are eligible City permit fees that can be waived under this program:

- Demolition or Building permit; and
- Occupancy permit

Eligible Costs

- Up to **100%, to a maximum of \$40,000 per project**, of the costs associated with eligible permit fees may be waived.

Payment

- No payment of fees is required in accordance with the eligible permit fees.

Tax Increment Equivalent Grant (TIEG) for Purpose-Built Rental Residential Program

To encourage the reuse, development, and redevelopment of eligible properties for purpose-built rental residential buildings, by providing grants equivalent to the incremental increase in property tax assessment resulting from property improvements such as, but not limited to, new construction and infrastructure upgrades.

This temporary program may provide an annual municipal tax increment equivalent grant (TIEG), for the City’s portion of the property tax, up to 100% annually for a period of five (5) years, following project completion and occupancy permit issuance. Table 1 shows the increment percentage credit (i.e. the percentage of the property tax refunded as a grant) for purpose-built rental, buildings with affordable rental residential units, and buildings that exceed minimum accessible unit requirements.

Table 1 – Temporary TIEG Program for Purpose-Built Rental Buildings – Payout Schedule			
Five Year Duration of TIEG	Rental Building Declining Annual TIEG	Affordable Rental * Building Full Annual TIEG	Accessible Rental Building ** Full Annual TIEG
Year 1	100%	100%	100%
Year 2	80%	100%	100%
Year 3	60%	100%	100%
Year 4	40%	100%	100%
Year 5	20%	100%	100%

* The Full Annual TIEG payout schedule applies to purpose-built residential rental buildings where a minimum of 15% of the units are “affordable rental units”, as defined in this CIP. A mix of affordable unit sizes is encouraged, including two and three-or-more-bedroom units. Affordable rental units are required, by City agreement, to remain affordable for a minimum affordability period of 10 years.

** The Full Annual TIEG payout schedule applies to purpose-built residential rental buildings where the total number of new rental units with accessibility features exceeds the Ontario Building Code (OBC) minimum accessible unit requirement by 10%.

This program forms a part of the Community Improvement Plan and must be read and applied in accordance with the main document.

Eligibility Criteria

- The Temporary TIEG for Purpose-Built Rental Buildings Program (Temporary TIEG Program) is applicable for all eligible properties within the CIPA.
- To be eligible for this Program, the **minimum number of new dwelling units** within a purpose-built rental residential building **shall be four (4) dwelling units**.
- Of the total new rental units in a rental residential building, **30% or more of the units shall be two-bedrooms or greater in size**. Two-bedroom units shall have a minimum floor area of 750 square feet, and three-or-more-bedroom units shall have a minimum floor area of 950 square feet. The Director of Community Planning may, at their discretion, accept a reduced portion of dwelling units that are two bedrooms or greater in size, to a maximum variance of up to 2% from the required 30% proportion. For applications submitted on or before December 31, 2026, the Director may accept a maximum variance of up to 5% from the required 30% proportion where the applicant demonstrates that the reduced two bedroom and greater mix continues to meet the intent of the program and supports the delivery of eligible units.
- Only those projects that are anticipated to generate an increase in assessment will be eligible.
- An application for the TIEG must be submitted at the time a Foundation or Shoring and/or Building Excavation Permit application is made. Applications for the TIEG may be accepted after Foundation Permit issuance but must be received prior to the issuance of an Occupancy Permit by the Building Department.
- The applicant shall provide any required information including but not limited to a description of the proposed improvements and an estimate of costs. The cost estimate must be from a qualified licensed contractor and shall be consistent with the cost estimate indicated on the accompanying building permit application. The City reserves the right to request a second quotation from a different qualified licensed contractor.
- Applicants receiving a grant under the Temporary TIEG Program may also apply for additional temporary incentive programs offered through this Plan, if eligible.

- In accordance with the General Eligibility requirements of subsection 5.9, an agreement, among other things may require the City to register a mortgage/charge on title to the property.

Eligible Costs

- The value of the grant provided is equal to the incremental increase in property assessment related to the City’s portion of the municipal property tax resulting from improvements up to the maximum eligible costs. The grant is provided to the owner (registered or assessed) or an assigned third party. The grant is calculated based on the difference between the pre-project municipal taxes and the post-project municipal taxes. However, increased assessment (taxes) are not “eligible costs” but represent a basis for calculating the grant. The potential grant value shall be calculated based on the value of eligible costs to ensure the value of the grant is related to the actual cost of the work being completed.
- **Eligible costs include** the costs of development, redevelopment, adaptive reuse, and major additions. More specifically, the following costs will be eligible:
 - o Demolition of buildings for the purpose of preparing the site for a new purpose-built rental building that is approved by the City;
 - o Construction and labour costs associated with the development or redevelopment of a building or property, including improvements to an existing building for adaptive reuse and major additions; Infrastructure work including the improvement or reconstruction of existing on-site public or private infrastructure to support building construction or expansion;
 - o Constructing/upgrading of any off-site infrastructure that is required to fulfill any condition of a development/planning approval (including Site Plan Control) for the development, redevelopment, adaptive reuse or major addition of the building and/or property;
 - o Accessibility improvements including providing universal design features; barrier-free access to the residential unit(s); and/or accessible washrooms(s), interior doorway(s) and/or kitchen facilities in the units provided beyond OBC minimum unit requirements; and
 - o Such other similar costs that may be necessary for the development, redevelopment, adaptive reuse, or major addition of the building and/or property;
 - o Municipal and agency fees and charges, if not already claimed under another Temporary CIP Program;

- o Consultant fees for planning, design, environmental, and engineering services, if not already claimed under another Temporary CIP Program; or
- o Any combination of the above.

Payment

- The grant only applies to the City of Burlington's portion of the property tax. The grant does not apply to the Regional or Educational portion of applicable property taxes.
- Grants will be provided in accordance with a legal agreement made between the City and the owner(s) upon successful completion of the approved project, to the satisfaction of the City, and payment of the full reassessed value of municipal taxes. Subsequently, the City's portion of the property tax will be refunded to the extent required on an annual basis, in accordance with this Temporary TIEG Program.

If a property is sold, in whole or in part, before the grant period lapses, the original owner is not entitled to receive the remaining grant payments. However, if a Grant Agreement is registered on the title of the subject property (per Section 28(11) of the *Planning Act*), the new owner may be entitled to receive the remaining grant payments.
- The grants will be provided after the improvements to the property are complete and after the reassessment of the property by the Municipal Property Assessment Corporation (MPAC) has demonstrated an increase in the assessed value of the property.
- Up to one hundred percent of the calculated grant amount will be provided over a period up to but not exceeding five years. The ability to accept new TIEG applications will be determined by Council on an annual basis. The value and specific parameters of the grant will be determined on a property-specific basis, in a year where the program is in effect, and as approved by Council.
- During pre-improvement assessment, the City will continue to collect tax revenue equal to the pre-improved assessed value of the property, using tax rates set annually by the City.

Accessible Design Grant

This Program provides an additional grant for eligible applications that incorporate voluntary universal or barrier-free design, or accessible design.

CIP-funded accessible design improvements shall not be marketed, sold, advertised, or otherwise represented as optional, premium, or upgraded features to purchasers, tenants, or end users.

This program forms a part of the Community Improvement Plan and must be read and applied in accordance with the main document.

Eligibility Criteria

- Demonstrate achieved:
 - universal or barrier-free design, or accessible design practices and features that exceed Ontario Building Code (OBC) requirements.
- The applicant has been approved for units under one of the Temporary Programs under subsection 5.9 of this Plan.

Eligible Costs

- **Up to \$20,000 for a four-unit housing project and up to \$50,000 per project with five or more units**, subject to an evaluation of the proposed development based on the extent to which a project incorporates voluntary universal or barrier-free design, or accessible design practices and features that exceed OBC requirements.

Payment

- The grant will be provided upon successful completion of the housing project and upon successful satisfactory completion of the program criteria or at the discretion of the City. The grant will be paid in a lump sum as a reimbursement of costs incurred, or in intervals at the discretion of the City.
- If at any time the applicant is found to be in breach of the agreement or fails to meet the program criteria, the applicant is required to repay the grant back to the City, in accordance with the funding agreement terms and conditions.