



Committee of the Whole

Meeting Date: August 12, 2025

Submitted by: Cara Finn, Director of Economic Development
Durk Vanderwerff, Interim CAO | Director of Planning & Development
Paul Shipway, General Manager of Strategic Initiatives & Innovation

Subject: Middlesex County Community Improvement Support Program (CISP)

BACKGROUND:

[Section 28 of the Planning Act](#) permits Middlesex County to make grants or loans to its local municipalities for the purpose of carrying out a Community Improvement Plan (CIP) that has come into effect, provided that the County's official plan contains enabling policies for such financial participation. Section 4.8 of the [Middlesex County Official Plan](#) provides the enabling policies for Middlesex County financial participation in local CIP's. As of 2024, all Middlesex County municipalities, excluding Newbury, have adopted local CIPs.

Middlesex County has a history of local CIP support with the previous CIP Primer and consultation processes for the implementation or redevelopment of local CIPs. Additionally, following completion of the [2021–2025 Economic Development Strategic Plan](#), Middlesex County established an annual CIP Implementation Program that enabled local municipalities to apply for reimbursement of up to 50% of their contributions to approved CIP projects. This program, launched in 2021, has helped enhance local investment in facade improvements, signage, and other revitalization efforts across participating municipalities. A statistical analysis of the CIP Implementation Program is attached hereto as Appendix 'A'.

On June 20, 2023, Middlesex County Council passed the following resolution related to industrial development:

THAT the [Industrial Assessment – A Review of Middlesex County Industrial Tax Base & Improvement Methodologies](#) report be received for information;

AND THAT staff be directed to report back to Council on the implementation of an industrial land strategy program.

That direction led to an update of the [Middlesex County Loan Program – By-law No. 7265](#) in early 2024 and identified the need for consideration of an accompanying CIP policy to enable Middlesex County contributions to industrial-related incentives, such as Tax Increment Financing Grants (TIFGs), and fee rebate programs.

On July 16, 2024, Middlesex County Council passed the following resolution:

THAT the Attainable Housing Review —Implementation Report be received for information:

THAT Council selects the strategic role of Housing Advocate for Middlesex County;

THAT Council directs staff to prepare a detailed Attainable Housing Implementation Plan Report with the strategic role of Housing Advocate for consideration as part of the 2025 Draft Budget.

Subsequently, the draft 2025 Middlesex County Budget was referred from Budget Committee to County Council; however, the Business Case for a Housing Advocate service was excluded from the draft budget¹.

A Community Improvement Plan (CIP) is a strategic tool that enables municipalities to provide loans, grants, and land to encourage private sector development that offers communitywide benefits, such as affordable housing. Municipalities across Ontario use CIPs to support affordable housing by allowing developers to enter into agreements with criteria for affordable price or rent thresholds and minimum affordability terms, registered on title. One introductory incentive, a tax rate deferral, allows municipalities to defer property tax increases for a set period post-development, enabling developers to direct resources toward construction. This approach, which involves no immediate municipal cost, can stimulate beneficial community projects and may be further extended by the County and local municipalities to include rental housing and planning fee incentives. This approach would consider amendments to local municipal

¹ County Council is actively considering the Housing Advocate role, however the support programs from the 2025 Budget Business Case are not currently under consideration.

CIPs to further incentivize rental housing with financial supports from the County.

Middlesex County has also partnered with local municipalities to deliver a range of housing initiatives funded through the federal Housing Accelerator Fund (HAF). These efforts focus on enhancing local capacity to deliver diverse and affordable housing options across the continuum. Notable initiatives include support for Additional Residential Units (ARUs), streamlined zoning frameworks, and financial incentives to encourage purpose-built rental housing. As local municipalities consider amendments to their local CIPs to support these housing objectives, the County is well-positioned to serve as a strategic enabler.

As part of HAF action items and to inform the design and focus of local CIP programs, participating local municipalities undertook a public survey process. This survey targeted capturing local perspectives on housing needs, incentive tools, and CIP modernization opportunities. The results, summarized in Appendix 'B', highlight strong support for affordable rental apartments, attainable homeownership, and seniors housing, as well as the strategic value of tools such as Tax Increment Financing Grants (TIFGs) and ARU-related incentives.

ANALYSIS:

The Community Improvement Support Program (CISP), attached hereto as Appendix 'C', has been developed for Council consideration, in response to a convergence of strategic directions, most notably to:

1. Address industrial assessment limitations
2. Support attainable housing delivery
3. Support HAF action items and potential locally designed CIP programs
4. Modernize legacy economic development tools.

The program is proposed to enhance and formalize the County's former reimbursement-based CIP Implementation Program with a structured, policy-driven framework that aligns County contributions with clearly defined local and regional priorities.

CISP is designed to strengthen the County's role as a strategic enabler, offering targeted funding to support and amplify the impact of local CIPs. The program recognizes that while local municipalities lead CIP implementation, County participation can elevate outcomes by enhancing projects and/or the number of projects that deliver shared economic, social, and fiscal benefits.

To ensure flexibility and strategic focus, CISP proposes to introduce three defined funding streams:

- **Stream 1: General Property Revitalization**
Continues the original intent of the County's legacy program by supporting smaller-scale projects that contribute to local revitalization, such as façade improvements, signage, landscaping, and accessibility enhancements.
- **Stream 2: Industrial & Commercial Development**
Supports economic diversification and assessment growth by enabling County participation in local CIP incentives targeted at industrial and commercial development. Eligible incentives may include Development Charge (DC) rebates, Tax Increment Financing Grants (TIFGs), application fee relief, and site servicing contributions. This stream directly advances Council's June 2023 directions.
- **Stream 3: Housing-Related Development**
Reflects the County's commitment to supporting local municipalities in increasing the housing stock across the continuum. This stream supports affordable, supportive, rental, and attainable housing, including Additional Residential Units (ARUs), adaptive reuse, and purpose-built rental projects. It enables the County to respond to local CIP updates aimed at expanding housing options across the continuum.

Community Improvement Support Program highlights include:

- Up to 50% reimbursement of the local municipal CIP contribution per project
- Flexibility for County participation in TIFGs, with terms that mirror local agreements
- Competitive, merit-based review process aligned with strategic priorities
- Continued support for revitalization in rural and urban cores
- Ongoing, online intake and evaluation process administered by the County's Economic Development Department
- Council's retained discretion to approve exceptional projects outside the standard framework, consistent with legislative authority

To ensure transparency, accountability, and continuous program improvement, each stream within CISP includes built-in key performance indicators (KPIs). These KPIs are aligned with strategic outcomes and would be tracked by the Economic Development Department through the program intake and evaluation process. Annual reports to County Council would summarize application volumes, project types, geographic distribution, and measurable community and economic impacts. This data-driven approach will support evidence-based adjustments to the program, including potential refinements to funding levels, stream criteria, and strategic priorities in response to emerging needs and evolving local conditions.

CISP provides a unified platform for Middlesex County to collaboratively support revitalization, enable investment, and improve housing outcomes. It reinforces the County's position as a forward-looking partner in community improvement across the County.

NEXT STEPS:

At this stage, staff are respectfully requesting Council to consider approving the Community Improvement Support Program (CISP) policy framework. No current year financial commitment is required. Approval of the program structure will allow staff to finalize the necessary administrative tools, including standardized application forms, intake workflows, and internal evaluation procedures.

This approval also provides clarity and predictability for local municipalities undertaking CIP reviews and updates, particularly as part of the ongoing Housing Accelerator Fund initiatives. By confirming the County's intention to serve as a funding and implementation partner, local municipalities may be encouraged to expand the use of CIP tools to include a broader range of housing, commercial, and industrial incentives.

FINANCIAL IMPLICATIONS:

Annual budget allocations for the CISP would be established by County Council through the budget process. Staff would respectfully recommend consideration of initial 2026 allocations for the Community Improvement Support Program (CISP) with stream-specific funding as follows:

- Stream 1: General Property Revitalization – \$30,000
- Stream 2: Industrial & Commercial Development – \$100,000
- Stream 3: Housing-Related Development – \$100,000

Subject to budget approval, 2026 total program funding of \$230,000 would be managed within the Economic Development operating budget. Staff will also further explore the possibility of Rural Ontario Development (ROD) Program or other upper-level government funding to offset levy costs. Funds would be administered through an intake process, with allocations based on merit and alignment with strategic objectives.

Unused or uncommitted funding at year-end would be transferred to a dedicated Community Improvement Support Reserve Fund. This reserve may be used to support multi-year commitments, accommodate higher-value or phased projects in future years, and provide flexibility for program enhancements. Future program allocations may be adjusted to account for available reserve balances, ensuring fiscal sustainability.



County participation in Tax Increment Financing Grant (TIFG) arrangements does not require an upfront financial outlay. Instead, it defers a portion of the County's


incremental tax revenue generated from eligible redevelopment projects. This model enables the County to directly support industrial, commercial, and housing development while maintaining positive long-term fiscal impacts through increased assessment and tax base growth.

Beyond direct financial returns, investments made through CISP are expected to deliver broader economic and community benefits. These include enhanced main street vitality, improved accessibility and public realm features, accelerated housing delivery across the continuum, and increased investor and developer confidence.

ALIGNMENT WITH STRATEGIC FOCUS:

This report aligns with the following Strategic Focus, Goals, or Objectives:

Strategic Priority	Goal	Objectives
Economic Development 	Enhance overall economic well-being and community prosperity by fostering a sustainable and thriving local economy	<ul style="list-style-type: none"> • Develop and implement an Economic Development approach for the County, focusing on key priorities, actions, and areas of growth while providing strong support for small businesses and entrepreneurs, including agriculture-related businesses. • Work towards providing access to ready-to-build land with the infrastructure and services needed to create jobs and grow the local economy. • Advance the County's planning framework that balances diverse land uses while protecting farmland and natural environment.
Collaboration & Partnerships 	Strengthen collaboration with local municipalities and regional partners to improve economic efficiency, enhance service delivery, and support regional development in alignment with community priorities	<ul style="list-style-type: none"> • Optimize service delivery through inter-municipal collaboration and shared services to improve efficiency and seamless operations. • Build and enhance relationships with municipal, regional, First Nations, community, and private sector partners to align priorities, share resources, and implement joint initiatives that improve community well-being and economic growth. • Improve communication and transparency through open engagement, accessible information, and informed decision-making.

Strategic Priority	Goal	Objectives
Adaptability and Agility 	Modernize the County's administrative capabilities to strengthen decision-making, improve service delivery, and achieve better community outcomes	<ul style="list-style-type: none"> • Transform, modernize and continuously improve administrative systems and processes to increase efficiency and enhance the experience of residents and partners.

RECOMMENDATION:

THAT the Middlesex County Community Improvement Support Program (CISP) Report be received for information;

THAT staff be directed to bring forward a by-law for Council consideration to adopt the Middlesex County Community Improvement Support Program (CISP), attached as Appendix 'C';

AND THAT Middlesex County Community Improvement Support Program (CISP) program funding be directed to 2026 Middlesex County Budget deliberations for consideration.

Attachments.