

Town of Cornwall
Affordable Housing Incentive Program
Phase One
February 2019

Purpose

The Affordable Housing Incentive Program is designed to stimulate the development of new affordable units in the Town of Cornwall.

Authority

The Affordable Housing Incentive Program has been authorized by a resolution of Council, PL -03-19, February 20, 2019. Council may terminate the program at any time by resolution. The program is a voluntary measure of the Town and affirms that housing is not a legislated responsibility under the Municipal Government Act of PEI.

Affordable Housing Defined

For the purpose of this program the Town's definition of affordable will match that of the Canada Mortgage and Housing Corporation (CMHC).

Eligibility Criteria

Applicants receiving financial support from affordable housing programs sponsored by the Province of PEI and/or the Government of Canada which is not less than the sum of municipal incentives to be received.

Program Incentives

Property Tax Grants

Grants providing property relief up to a maximum of 10 years, applied to new affordable housing units. Grants are equal to the receipted municipal portion of property tax on the affordable portion of the units.

Development Permit Fee Waivers

All the regular development permit fees regularly charged for new housing developments will be waived if the development meets the Eligibility Criteria.

Accessibility Bonus

All affordable housing projects meeting eligibility criteria within the boundaries of the Town of Cornwall will be considered. Bonus incentives may be offered for projects that have a minimum of 10% of the overall units as accessible units.

Project Evaluation Criteria

The Town will form an Evaluation Team with a mandate to evaluate prospective affordable housing developments. The Evaluation Team will be accountable to Town Council. Evaluation scoring criteria will include the following at minimum:

- Number of affordable units
- Ratio of affordable units to market units
- Level of provincial/federal support
- Needs assessment for affordable units in the Town.
- Business case
- Experience, project management leadership
- Accessibility
- Location, proximity to amenities, zoning, neighbourhood compatibility
- Alignment with Official Plan
- Scope (number of affordable units)
- Project maturity (concept only to shovel-ready)
- Estimated increase in property assessment
- Impact on municipal services, electric, water, wastewater, roads etc.

Program Wind-Down

Prince Edward Island's Municipal Government Act (MGA) does not legislate housing responsibilities to municipalities. The Town of Cornwall's participation with affordable housing incentives therefore is designed to temporarily fortify, not replace, federal and provincial programs and action plans with the types of support best delivered at a local level.

Council may establish a targeted number of affordable number of units, the achievement of which signals cessation of the program. Alternatively, a different cessation threshold could be the achievement of an acceptable vacancy rate, based on statistics published by Canadian Mortgage and Housing Corporation (CMHC).

Alternatively, Council may adopt a blend of both targeted number of units and vacancy rates. This approach assumes target numbers units which are adjustable, as a rational response to unpredictable contingencies. Such dependent variables could include variability in social or economic conditions, population growth, household incomes, senior government policy priorities, immigration or out-migration, market rents trends, and other emerging contingencies.

Public notice for wind-down of the program will be six months.

Program Review

This program is subject to periodic review as directed by Council.