

Town of Cornwall

Affordable Housing Incentive Program

January 2026

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 **one** of the Canada Mortgage and Housing Corporation's (CMHC) definitions and this will be verified in writing by CMHC.

Eligibility Criteria

Applicants receiving financial support from affordable housing programs sponsored by the Province of PEI and/or the Government of Canada meeting the above definition are eligible.

Program Incentives

Property Tax Grants

Grants providing municipal property tax relief up to a maximum of 10 years, applied to new affordable housing units. Grants may be equal to the receipted municipal portion of property tax on the affordable portion of the units. Payment of the grant shall be made within thirty days of presentation, to the town, of the annual property tax statement, along with a signed attestation from the owner that the units are still classified as affordable.

Development Permit Fee Waivers

The regular development permit fees regularly charged for new housing developments **may** 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.

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Project Evaluation Criteria

Council 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 may include the following:

- 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.

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.