



within the City's Protected Major Transit Station Areas—in alignment with the City's Housing Accelerator Funding application.

## Executive Summary

### Summary of Request

The Corporation of the City of London has requested an Official Plan amendment to add the Transit Oriented Development Community Improvement Project Area to Map 8 – Community Improvement Project Areas of *The London Plan*. Further, the City of London is proposing:

- Designating a city-wide Transit Oriented Development Community Improvement Project Area;
- Adopting the Transit Oriented Development Community Improvement Plan; and
- Approving one financial incentive program within the Transit Oriented Development Community Improvement Project Area, noting the area eligible for the program will be further delineated through the program's guidelines. Funding for this program has been approved through the City of London's Housing Accelerator Fund application.

### Purpose and the Effect of Recommended Action

The recommended action will adopt a community improvement plan and approve a financial incentive program to help accelerate residential development near transit—including Protected Major Transit Station Areas (PMTSAs) and Transit Village Place Types.

## Linkage to the Corporate Strategic Plan

This recommendation will contribute to the advancement of Municipal Council's 2023-2027 Strategic Plan in the following ways:

### Economic Growth, Culture, and Prosperity

- London's Core Area (Downtown, Midtown, Old East Village) is a vibrant neighbourhood and attractive destination.

### Housing and Homelessness

- A well-planned and growing community.

### Wellbeing and Safety

- London has safe, vibrant, and healthy neighbourhoods and communities.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

June 12, 2023 – Planning and Environment Committee Report – 5-Year Review – Community Improvement Plans and Financial Incentive Programs

September 19, 2023 – Strategic Priorities and Policy Committee – London's Approved Housing Accelerator Fund Application

December 10, 2024 – Strategic Priorities and Policy Committee – Housing Accelerator Fund – First Annual Update

## 1.2 What is a Community Improvement Plan?

A Community Improvement Plan (CIP) provides the legislative and policy framework to guide redevelopment and improvements within a defined area of need—a community improvement project area. CIPs allow a municipality to:

- Identify changes needed to land use planning policy, zoning, other by-laws and practices.
- Acquire, rehabilitate, and dispose of land.
- Provide financial incentives (grants and loans) to property owners and tenants that would otherwise be unavailable.
- Direct investments made to infrastructure and public space.

## 1.3 Housing Accelerator Fund

In April 2023, the Canada Mortgage and Housing Corporation (CMHC) released details on the Housing Accelerator Fund (HAF). HAF is a \$4 billion incentive program targeting local municipal governments, with an anticipated outcome of 100,000 additional building permits issued in Canada over a three-year period.

HAF's aim is to encourage new municipal initiatives that will increase housing supply at an accelerated pace and enhance certainty for developers in the approvals and building permit processes, resulting in transformational change to the housing system.

London's approved application provides a housing target of 2,187 additional units between 2024-2026 for eligibility of up to \$74,058,143.00 under the HAF. These units must be over and above London's recent unit construction average.

The HAF application process required the City to select seven initiatives from a list of twenty-five initiatives developed by CMHC to accelerate new housing.

The initiative most relevant to this project is:

- Promoting high-density development without the need for privately initiated rezoning (as-of-right zoning), e.g., for housing developments up to 10 stories that are in proximity (within 1.5km) of rapid transit stations and reducing car dependency.
  - Noting: The City would also tie these incentives to inclusion of housing unit types for families, students, and seniors at various levels of affordability to ensure a diverse and inclusive community is created. This initiative will also include implementing incentives for conversions from non-residential to residential and multi-unit housing within close proximity to transit through the development of a Community Improvement Plan.

## 2.0 Discussion and Considerations

### 2.1 Requested Amendments

The Corporation of the City of London has requested an Official Plan amendment to adopt a community improvement plan to accelerate residential development near transit—including Protected Major Transit Station Areas (PMTSAs) and Transit Village Place Types. The request includes:

- The designation of the city-wide Transit Oriented Development Community Improvement Project Area;
  - An amendment to Map 8 – Community Improvement Project Areas of *The London Plan* to identify the Transit Oriented Development Community Improvement Project Area;
- The adoption of the Transit Oriented Development Community Improvement Plan; and
- The approval of one financial incentive program within the Transit Oriented Development Community Improvement Project Area, noting the area eligible for the program will be further delineated through the program's guidelines. Funding

for this program has been approved through the City of London's Housing Accelerator Fund application.

All the above is pursuant to the provisions of Section 28 of the *Planning Act* and the Community Improvement Plan section of the Our Tools part of *The London Plan*.

### **2.3 Transit Oriented Development Community Improvement Project Area**

The *Planning Act* defines a community improvement project area as “a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason.”

The recommended community improvement project area for the Transit Oriented Development Community Improvement Plan is all lands within the municipal boundary; however, the areas within the municipality that are eligible for the financial incentive program offered through the CIP is discussed in Section 2.5 and Appendix “D”—the detailed program guidelines for the proposed financial incentive program.

### **2.4 Transit Oriented Development Community Improvement Plan**

The City of London retained N. Barry Lyons Consulting Ltd. (NBLC) to undertake a background study and prepare the Transit Oriented Development Community Improvement Plan.

The Transit Oriented Development CIP's purpose is to accelerate development near and within the City's Protected Major Transit Station Areas (PMTSA) and Transit Village place types. The CIP provides the City with the ability to offer financial incentive programs to achieve the CIP's purpose.

A PMTSA is the area surrounding and including an existing and planned higher order transit (e.g. rapid transit) station or stop. The Downtown, Transit Village, and Rapid Transit Corridor Place Types are identified as PMTSAs.

In the *Provincial Policy Statement, 2024*, major transit station area means the area including and around any existing or planned higher order transit station or stop within a settlement area; or the area including and around a major bus depot in an urban core.

Major transit station areas generally are defined as the area within an approximate 500 to 800-metre radius of a transit station.

The Transit Oriented Development CIP outlines the challenges residential development faces near and within the PMTSA and provides the framework to allow the City of London to offer the proposed financial incentive program discussed in Section 2.5 and Appendix “D”.

### **2.5 Transit Oriented Development Financial Incentive Program – Per-Unit Forgivable Loan**

The Per-Unit Forgivable Loan Program will provide \$15,000 per residential rental unit created within defined areas of the city-wide community improvement project area. For example, a 100-unit project would be eligible for \$1,500,000 in funding.

Offering the financial incentive program as a forgivable loan allows the City of London to ensure the funding is used for its intended purpose—to construct the proposed residential units. The *Planning Act* provides that the amount of any loan made under a CIP financial incentive program, together with interest, may constitute a lien or charge upon the land in respect of which the loan was made to benefit.

The Per-Unit Forgivable Loan Program is only available to eligible properties located within approximately 500 metres of the Downtown, south PMTSA, and east PMTSA as identified on Figure 1 and formally within the Financial Incentive Program Guidelines

(Appendix “D”). The rationale for the targeted financial incentive zone boundary compared to using the city-wide community improvement project area is to better support residential intensification within walking distance from the approved, completed, and under construction rapid transit routes. This rationale aligns with the City’s HAF application and relevant initiative to promote high-density development near rapid transit stations and the development of a CIP to implement financial incentives to support conversions from non-residential to residential and multi-unit housing near transit.

Eligible projects are new apartment buildings with a minimum of 20 units or an office-to-residential conversion with no minimum project size.

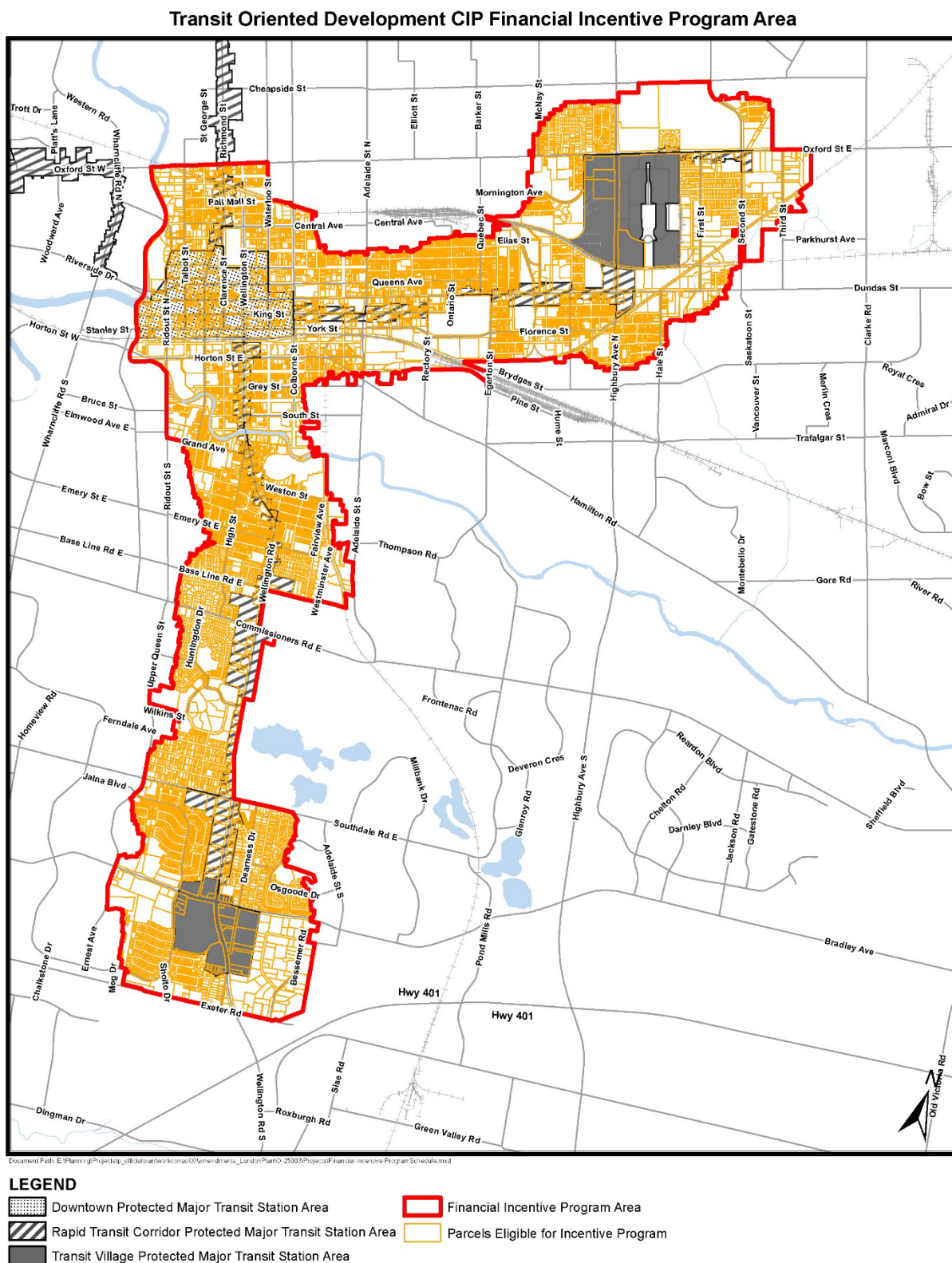


Figure 1 - Transit Oriented Development CIP Financial Incentive Program Area

The Housing Accelerator Fund is tracking the number of net new units permitted for residential buildings during the reporting period. Permitted units refers to units for which building permits for new housing construction were issued. As a result, in alignment with

HAF, the forgivable loan will be issued to the applicant when the building permit is issued, and the forgivable loan agreement has been signed.

The general administration process for the Per-Unit Forgivable Loan Program will be:

- Applications to the program will be accepted by staff:
  - At the same time as an application for a building permit, or
  - After the building permit has been issued if the issue date is after September 8, 2024, or
  - At the discretion of the Deputy City Manager, Housing and Community Growth or their written designate, if building permit was issued prior to September 8, 2024, but is being revised to increase the number of residential units in the project.
- Upon receipt of the forgivable loan application, staff will review the application for completeness and approval.
- If the application is complete and approved, staff will issue a forgivable loan commitment letter to the applicant.
- The forgivable loan will only be issued to the applicant after staff have confirmed:
  - The building permit is issued as verified by the Building Division;
  - The forgivable loan agreement is signed;
  - The lien is registered on property title as security;
  - The property taxes are in good standing as verified by the City's Tax Office; and,
  - That any outstanding Community Improvement Plan loans related to the property are in good standing.
- The lien is discharged from the property when the final building permit inspection has passed confirming the work to create the residential units has concluded and meets the requirements of the Ontario Building Code.

If a development has not yet received a building permit, it must do so by December 31, 2026, to be eligible for the forgivable loan program.

Given the three-year timeframe within which HAF funding is available, a comprehensive review will be undertaken six (6) months after initiation to ensure the CIP and the Per-Unit Forgivable Loan Program is achieving its desired outcomes.

If the Housing Accelerator Fund program is terminated for any reason and the HAF funding is no longer available, Civic Administration will bring a report forward to Municipal Council to determine whether to proceed with any outstanding funding commitments the City has made to applicants through the Per-Unit Forgivable Loan Program from another funding source.

Funding received through the Per-Unit Forgivable Loan Program can be stacked with funding received from the City's other financial incentive programs; however, a separate application and approval process to qualify for and receive funding from these other programs is required. The most common CIP programs that can stack with the Per-Unit Forgivable Loan Program include:

- Residential Development Charges Grant (Downtown and Old East Village CIPs).
- Rehabilitation and Redevelopment Tax Grant (Downtown, Old East Village, and SoHo CIPs)
- Office-to-Residential Conversion Grant Program (Downtown CIP)
- The programs available through the city-wide Affordable Housing CIP.

The Per-Unit Forgivable Loan Program works with other financial incentive programs such as the cost offsets offered by the Province of Ontario through *Bill 23, More Homes Built Faster Act, 2022* and *Bill 134, Affordable Homes and Good Jobs Act, 2023*. These two legislations exempt development charges for "affordable residential units" for the purpose of the *Development Charges Act, 1997*. Bill 23 further discounts affordable residential units from the calculation of cash-in-lieu of parkland and community benefits charges, as established in the *Planning Act, 1990*.

Other affordable housing financing and funding programs are available through the CMHC such as the Mortgage Loan Insurance (MLI) Select Program, Affordable Housing Fund, Apartment Loan Construction Program, and others.

This CIP also recognizes the Federal and Provincial exemption of HST and development charge reductions for new rental housing.

## **2.6 Internal and Agency Comments**

The application and [associated materials](#) were circulated for internal comments and public agencies to review. Comments received were considered in the review of this application and are addressed in Section 4.0 of this report.

Key issues identified by staff and agencies included:

- The amount of the financial incentive.

Detailed internal and agency comments are included in Appendix “E” of this report.

## **2.7 Public Engagement**

Prior to the formal circulation process, NBLC interviewed numerous developers during its background study work to better understand local development conditions including project financial feasibility near the PMTSAs. Three key takeaways include:

- The City is advancing several policy changes that are likely to positively influence new housing delivery, shorten application timelines, reduce risk and uncertainty in the approval process, broaden housing supply, and provide more residential permissions as-of-right.
- Significant increases in construction costs and interest rates are eroding the feasibility of new housing projects.
- The PMTSA geography presents challenging development conditions:
  - Developers already have significant land holdings in other areas of the city that will occupy their time and effort as they seek to advance new housing.
  - Lands within the PMTSAs are expensive to acquire, often require assembling numerous properties to create a feasible development parcel and are more complicated to develop relative to larger lands outside of these areas.
  - Many developers do not view rapid transit as a strong market driver in the near-term. Therefore, it is not believed that the rapid transit infrastructure will help reduce parking ratios or create a pricing premium.

On December 12, 2024, the proposed CIP was discussed at the Customer Service & Process Improvements Reference Group meeting. This Reference Group includes City staff, developers, homebuilders, planners, architects, engineers, and other individuals involved in the development industry. Key takeaways include:

- Due to the constraints posed by the Housing Accelerator Fund, the incentive would need to focus on projects that are applying shortly for their building permit, are currently in the permit application process, or have already received their building permit
- No concern on limiting the incentive to purpose-built rental vs. condominium, as the development community is already mostly building rental apartments in London
- Development of larger projects are already underway, ensuring there is retroactivity criteria that can be applied to permits or developments prior to Council approval will expand eligibility.

On January 14, 2025, a virtual Community Information Session was held to discuss the proposed CIP. Five members of the public attended.

Questions asked at the Community Information Session are included in Appendix “F” of this report.

A [Get Involved Page](#) was created to provide project updates and provide an opportunity for the public to ask questions on the project.

Notice of Application was published in the *Public Notices and Bidding Opportunities* section of *The Londoner* on January 23, 2025.

There were no responses received during the public consultation period.

## 2.8 Policy Context

### **The *Municipal Act, 2001***

Under Section 106 of the *Municipal Act*, municipalities are prohibited from assisting any manufacturing business or other industrial or commercial enterprise through the granting of bonuses (financial incentives), including:

- Giving or lending money or municipal properties;
- Guaranteeing borrowing;
- Leasing or selling municipal lands at below fair market value; or
- Giving total or partial exemptions from levy, charge or fee.

However, Section 106(3) of the *Municipal Act* provides an exception to these prohibitions through a CIP under Section 28 of the *Planning Act*, and through Section 365.1 of the *Municipal Act* regarding property tax cancellations.

### **The *Planning Act, 1990* and the *Provincial Planning Statement, 2024***

The Provincial planning policy framework is established through the *Planning Act* (Section 3) and the *Provincial Planning Statement, 2024 (PPS)*. The *Planning Act* requires that all municipal land use decisions affecting planning matters shall be consistent with the *PPS*.

Section 28 of the *Planning Act* allows a municipality to:

- Designate a community improvement project (28(2))
- Adopt a community improvement plan (28(4))
- Make grants or loans, in conformity with the community improvement plan, to registered owners and others within the community improvement project area (28(7))

The mechanism for implementing Provincial policies is through the Official Plan, *The London Plan*. Through the preparation, adoption and subsequent Ontario Land Tribunal (OLT) approval of *The London Plan*, the City of London has established the local policy framework for the implementation of the Provincial planning policy framework. As such, matters of provincial interest are reviewed and discussed in *The London Plan* analysis below.

*PPS* Chapter 1 outlines the Province of Ontario’s vision to build at least 1.5 million homes by 2031. Ontario will increase the supply and mix of housing options, addressing the full range of housing affordability needs. Every community will provide a sufficient supply with the necessary mix of housing options to support a diverse and growing population and workforce. The *PPS* also prioritizes compact and transit-supportive design.

The *PPS* promotes densities for new housing which efficiently use land, resources, infrastructure and public service facilities, and support the use of active transportation (2.2. 1. c)). Further, the *PPS* requires requiring transit-supportive development and prioritizing intensification (2.2. 1. d)).



The *PPS* dictates that:

- Settlement areas shall be the focus of growth and development. Within settlement areas, growth should be focused in, where applicable, strategic growth areas, including major transit station areas (2.3.1 1.).
- Planning authorities shall support general intensification and redevelopment to support the achievement of complete communities, including by planning for a range and mix of housing options and prioritizing planning and investment in the necessary infrastructure and public service facilities (2.3.1 3.).
- Planning authorities are encouraged to identify and focus growth and development in strategic growth areas (2.4.1 1.).
- Planning authorities are encouraged to promote development and intensification within major transit station areas, where appropriate, by planning for land uses and built form that supports the achievement of minimum density targets (2.4.2 3.).
- Planning authorities shall plan to reduce greenhouse gas emissions and prepare for the impacts of a changing climate through approaches that support the achievement of compact, transit-supportive, and complete communities (2.9 1.).

As the designation of the Transit Oriented Development Community Improvement Project Area and the adoption of the Transit Oriented Development Community Improvement Plan complies with *The London Plan*, it is staff's opinion that the application is consistent with the *Planning Act* and the *PPS*.

### ***The London Plan, 2016***

A municipality must have provisions in their Official Plan that enable it to establish a CIP. The Our Tools part of *The London Plan* has such enabling policies and supporting policies are found throughout the various parts of *The London Plan*:

- Our City – Urban Regeneration policies 153\_, 154\_, and 164\_. These policies outline the City's urban regeneration efforts to encourage downtown development and the intensification of urban neighbourhoods using CIPs.
- Homelessness Prevention and Housing policy 511\_. This policy supports the creation of CIPs to encourage the development of new housing.
- Our Tools – Community Improvement Plans policies 1724\_, 1726\_, 1727\_, and 1728\_. These policies identify the process required to identify a community improvement project and outline the objectives and criteria for supporting the creation of new CIPs.

Appendix "G" has the details for these policies.

The Transit Oriented Development CIP adheres to the policies within *The London Plan*, which allows for a CIP to be created to promote infill and intensification and to coordinate planning efforts on housing and transit-oriented development. The CIP will help to stimulate private sector investment activity, revitalize key areas of the city, and facilitate and promote community improvement through supporting the development of new residential and mixed-use housing projects near the City's PMTSAs.

### **3.0 Financial Impact/Considerations**

A budget of \$10 million has been established to fund the proposed Per-Unit Forgivable Loan Program through the Transit Oriented Development CIP. This budget is supported by the \$20 million Housing Accelerator Fund application for Community Improvement Plan financial incentives to support multi-unit housing within proximity to transit. As a result, unless Municipal Council extends the program funding beyond the HAF timelines, the proposed Per-Unit Forgivable Loan Program has no impact on the current 2025-2027 tax levy.

## 4.0 Key Issues and Considerations

### 4.1 Proposed Financial Incentive Amount

As part of the background study for the CIP, NBLC undertook a robust multi-scenario proforma analysis to understand the financial feasibility of developing within the City's PMTSAs.

Based on the analysis, market-rate rental projects in the City's PMTSAs produce a positive return, albeit below a threshold most developers are likely to accept.

For example, the internal rate of return metrics depending on the development scenario range between 6.2% and 7.5%, relative to the assumed hurdle rate of 10%. To make these projects viable, they require a subsidy between \$100,000 to \$180,000 per unit. Introducing affordable housing units increases the required subsidy upwards to \$240,000 to \$394,000 per unit depending on the CMHC Average Market Rent (AMR) percentage of those units (100% AMR versus 70% AMR). This per unit subsidy range compares to the findings of the City's Affordable Housing CIP Review completed in May 2024.

Based on this analysis, Civic Administration is aware that a \$15,000 per unit financial incentive is unlikely to make an unfeasible project feasible. As a result, Civic Administration is proposing the TOD Per-Unit Forgivable Loan Program be targeted towards projects that are submitting for building permit or have an active building permit issued after September 8, 2024 (with some exceptions).

Advancing a project to the building permit stage is a costly endeavour for a developer, but it does help show Civic Administration that the project is likely financially viable and will proceed to construction. The TOD Per-Unit Forgivable Loan Program will provide a financial boost to accelerate the project towards completion. The \$10M in HAF funding earmarked for the Program will help accelerate 667 rental housing units to the market.

## 5.0 Next Steps

Subject to Municipal Council approval of *The London Plan* amendment and the related Community Improvement Plan by-laws on April 1, 2025, Civic Administration will work towards launching the Per-Unit Forgivable Loan Program on May 1, 2025. However, if the Official Plan amendment is appealed to the Ontario Land Tribunal, this launch date will be delayed.

## Conclusion

This report recommends designation of the Transit Oriented Development Community Improvement Project Area and a related amendment to *The London Plan* mapping. Additionally, this report recommends adoption of the Transit Oriented Development Community Improvement Plan (CIP) and adoption of one financial incentive program within the Transit Oriented Development Community Improvement Project Area.

The Transit oriented Development CIP meets the test for community improvement as defined in the *Planning Act*. Further, the adoption of the CIP and the amendment to *The London Plan* is consistent with the *Provincial Planning Statement, 2024* and is supported by policies of *The London Plan*.

**Prepared by:** **Graham Bailey, MCIP, RPP**  
**Senior Planner, Community Improvement and Urban Regeneration**

**Reviewed by:** **Mike Macaulay, MPA**  
**Manager, Community Improvement and Urban Regeneration**

**Recommended by:** Heather McNeely, MCIP, RPP  
Director, Planning and Development

**Submitted by:** Scott Mathers, MPA, P.Eng.  
Deputy City Manager, Housing and Community Growth

Copy:

Kevin Edwards, Manager, Community Planning

Justin Adema, Manager, Long Range Planning

Alan Shaw, Director, Building and Chief Building Official

Attachments:

**Appendix A – To Designate the Community Improvement Project Area**

Schedule 1 – The Transit Oriented Development Community Improvement Project Area

**Appendix B – Official Plan Amendment**

**Appendix C – To Adopt the Community Improvement Plan**

Schedule 1 – Transit Oriented Development Community Improvement Plan

**Appendix D – To Establish Financial Incentive Program Guidelines**

Schedule 1 – Transit Oriented Development Community Improvement Project Area

Financial Incentive Program Guidelines

Appendix 1 – Transit Oriented Development Per-Unit Forgivable Loan Agreement

**Appendix E – Internal and Agency Comments**

**Appendix F – Public Engagement**

**Appendix G – The London Plan Policies**

## Appendix A – To Designate the Community Improvement Project Area

Bill No. (number to be inserted by Clerk's Office)  
2025

By-law No. C.P.-

A by-law to designate the Transit  
Oriented Development Community  
Improvement Project Area

WHEREAS by subsection 28(2) of the *Planning Act, R.S.O. 1990, c.P.13*, the Council of a municipal corporation may, by by-law, designate the whole or any part of an area covered by an official plan as a community improvement project area;

AND WHEREAS *The London Plan, 2016*, the Official Plan for the City of London, contains provisions relating to community improvement within the city;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Transit Oriented Development Community Improvement Project Area, as contained in "Schedule 1", attached hereto and forming part of this by-law, is designated.
2. This by-law shall come into effect in accordance with subsection 17(38) or 17(38.1) of the *Planning Act, R.S.O. 1990, c.P.13*.

PASSED in Open Council on April 1, 2025, subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

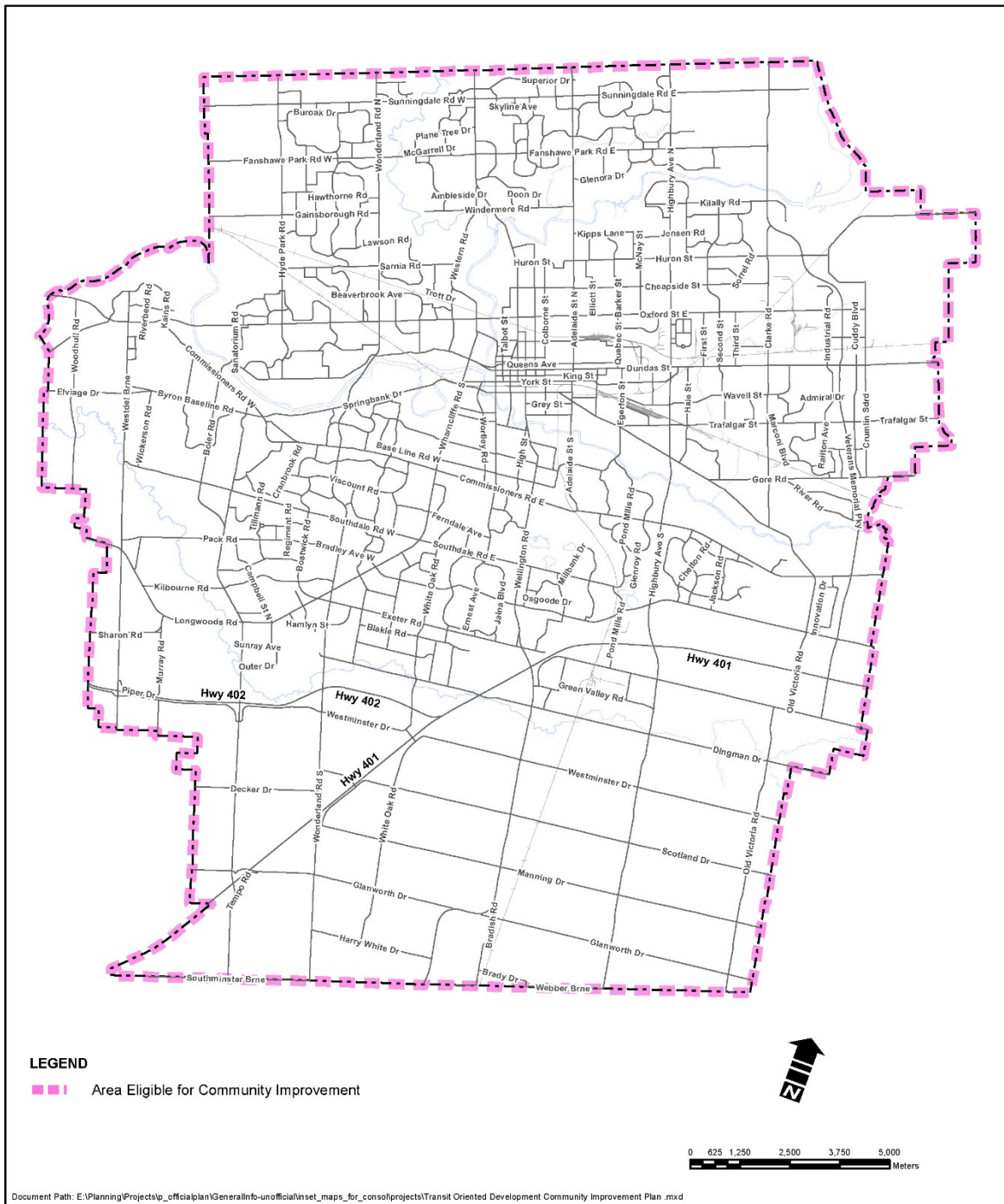
Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading – April 1, 2025  
Second Reading – April 1, 2025  
Third Reading – April 1, 2025

# “Schedule 1” – Transit Oriented Development Community Improvement Project Area

## Transit Oriented Development Community Improvement Project Area



## Appendix B – Official Plan Amendment

Bill No. (number to be inserted by Clerk's Office)  
2025

By-law No. C.P.-XXXX-

A by-law to amend the Official Plan, *The London Plan* for the City of London, 2016 relating to Map 8 in Appendix 1 (Maps) and the Transit Oriented Development Community Improvement Project Area

The Municipal Council of The Corporation of the City of London enacts as follows:

1. Amendment No. (to be inserted by Clerk's Office) to the Official Plan, *The London Plan* for the City of London Planning Area – 2016, as contained in the text attached hereto and forming part of this by-law, is adopted
2. This Amendment shall come into effect in accordance with subsection 17(27) or 17(27.1) of the *Planning Act, R.S.O. 1990, c.P.13*.

PASSED in Open Council on April 1, 2025, subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading – April 1, 2025  
Second Reading – April 1, 2025  
Third Reading – April 1, 2025

**AMENDMENT NO.**  
**to the**  
**OFFICIAL PLAN, THE LONDON PLAN, FOR THE CITY OF LONDON**

**PURPOSE OF THIS AMENDMENT**

The purpose of this Amendment is to amend Map 8 – Community Improvement Project Areas to add the Transit Oriented Development Community Improvement Project Area.

**LOCATION OF THIS AMENDMENT**

This Amendment applies to lands located within the Transit Oriented Community Improvement Project Area.

**BASIS OF THE AMENDMENT**

The recommended amendment is consistent with the *Provincial Planning Statement, 2024* and in conformity with the policies of *The London Plan*. The recommended amendment would allow the City of London to designate a Transit Oriented Development Community Improvement Project Area and adopt a Community Improvement Plan to accelerate residential development near Transit Villages and Protected Major Transit Station Areas.

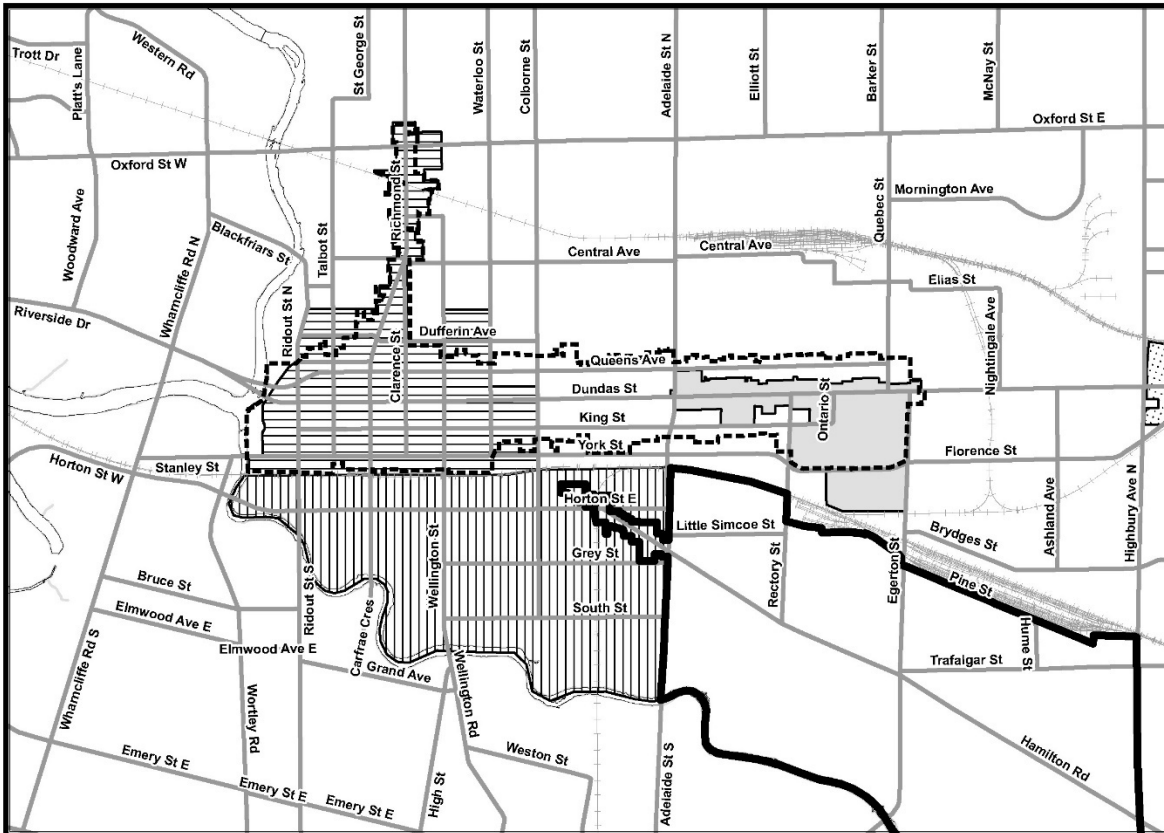
**THE AMENDMENT**

*The London Plan* for the City of London is hereby amended as follows:

1. Map 8 – Community Improvement Project Areas, to the Official Plan, *The London Plan*, for the City of London Planning Area is amended by adding the Transit Oriented Development Community Improvement Project Area as indicated on “Schedule 1” attached hereto.

# "Schedule 1"

AMENDMENT NO:



## LEGEND

- Airport Community Improvement Project Area
- Argyle Core Area Community Improvement Project Area
- Core Area Community Improvement Project Area
- Downtown Community Improvement Project Area
- Hamilton Road Community Improvement Project Area
- Lambeth Community Improvement Project Area
- Old East Village Community Improvement Project Area
- SoHo Community Improvement Project Area

## BASE MAP FEATURES

- Streets (See Map 3)
- Railways
- Urban Growth Boundary
- Water Courses/Ponds

**ADD: Transit Oriented Development Community Improvement Plan (CIP) text**

NOTE: The Brownfields CIP, Heritage CIP, Industrial CIP, Transit Oriented Development CIP and Affordable Housing CIP Areas include all lands within the municipal boundary

*This is an excerpt from the Planning Division's working consolidation of Map 8 - Community Improvement Project Areas of the London Plan, with added notations.*

<p><b>SCHEDULE 1 TO</b></p> <p><b>OFFICIAL AMENDMENT NO. _____</b></p> <p>PREPARED BY: Planning &amp; Development</p>	<p>Scale 1:30,000</p> <p>Meters</p>	<p><b>FILE NUMBER:</b> O-25003</p> <p><b>PLANNER:</b> GB</p> <p><b>TECHNICIAN:</b> RC</p> <p><b>DATE:</b> 1/27/2025</p>
---	-------------------------------------	---



## Appendix C – To Adopt the Community Improvement Plan

Bill No. (number to be inserted by Clerk's Office)  
2025

By-law No. C.P.-

A by-law to adopt the Transit Oriented  
Development Community Improvement  
Plan

WHEREAS subsection 28(4) of the *Planning Act, R.S.O. 1990, c.P.13*, enables the Council of a municipal corporation to adopt a community improvement plan for a community improvement project area;

AND WHEREAS the Council of The Corporation of the City of London has, by by-law, designated a community improvement project area identified as the Transit Oriented Development Community Improvement Project Area;

AND WHEREAS the Transit Oriented Development Community Improvement Project Area is in conformity with *The London Plan, 2016*, the Official Plan for the City of London;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Transit Oriented Development Community Improvement Plan attached hereto as "Schedule 1", is hereby adopted as the Community Improvement Plan for the area defined therein;
2. This by-law shall come into effect in accordance with subsection 17(38) or 17(38.1) of the *Planning Act, R.S.O. 1990, c.P.13*.

PASSED in Open Council on April 1, 2025, subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading – April 1, 2025  
Second Reading – April 1, 2025  
Third Reading – April 1, 2025



## Appendix D – To Establish Financial Incentive Programs

Bill No. (number to be inserted by Clerk's Office)  
2025

By-law No. C.P.-

A by-law to establish financial incentives  
for the Transit Oriented Development  
Community Improvement Project Area

WHEREAS by Subsection 28(2) of the *Planning Act, R.S.O. 1990, c.P.13* the Council of a municipal corporation may, by by-law, designate such an area as a community improvement project area;

AND WHEREAS by Subsection 28(4) of the *Planning Act, R.S.O. 1990, c.P.13*, the Council of a municipal corporation may adopt a community improvement plan for the community improvement project area;

AND WHEREAS by by-law Municipal Council of The Corporation of the City of London has designated the Transit Oriented Development Community Improvement Project Area a community improvement project area;

AND WHEREAS by by-law the Municipal Council of The Corporation of the City of London adopted the Transit Oriented Development Community Improvement Plan;

AND WHEREAS Municipal Council of The Corporation of the City of London wishes to establish financial incentives for the Transit Oriented Development Community Improvement Project Area;

AND WHEREAS the Official Plan for the City of London contains provisions relating to community improvement within the City of London;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Transit Oriented Development Community Improvement Project Area Financial Incentive Program Guidelines attached as "Schedule 1" is hereby adopted;
2. The agreement attached as "Appendix 1" is hereby authorized and approved.
3. The Deputy City Manager, Housing and Community Growth, or their written designate, is authorized to approve, enter into and execute agreements substantially in the form authorized and approved under section 2 of this bylaw.
4. The Deputy City Manager, Housing and Community Growth, or their written designate, is authorized to approve, enter into and execute amending agreements to agreements entered into pursuant to the authority under section 3 of this bylaw, provided the terms of the agreement conform with the applicable Transit Oriented Development Community Improvement Project Area Financial Incentive Program Guidelines.
5. This by-law comes into force and effect on the day it is passed subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

PASSED in Open Council on April 1, 2025, subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading – April 1, 2025  
Second Reading – April 1, 2025  
Third Reading – April 1, 2025

**“Schedule 1” – Transit Oriented Development Community Improvement Project  
Area Financial Incentive Program Guidelines**

**Transit Oriented Development Community Improvement Project Area  
– Financial Incentive Program Guidelines – Transit Oriented  
Development (TOD) Per-Unit Forgivable Loan Program**

Effective April 1, 2025

These program guidelines provide the requirements for the Transit Oriented Development (TOD) Per-Unit Forgivable Loan financial incentive program provided by the City of London through the Transit Oriented Development Community Improvement Plan (CIP).

Though the Transit Oriented Development Community Improvement Project Area is city-wide, the TOD Per-Unit Forgivable Loan only applies to the area identified on Map 1 in Section 2.0.

**1.0 Definitions**

*Applicant* – The person who makes a formal application for a financial incentive program offered through the City’s Community Improvement Plans. The person may be the *Property Owner*, or an authorized agent, including a business owner who is occupying space on the *Property* or contractor who has been retained to undertake improvements on the *Property*. If the *Applicant* is not the *Property Owner*, they will be required to provide authorization in writing from the *Property Owner* as part of a *Complete Application*.

*Approved Works* – the materials, labour and/or effort made to improve a property that are determined to meet eligibility criteria under the incentive program requirements.

*Commitment Letter* – A document prepared by the City of London outlining its agreement with a *Property Owner*, to provide a future financial incentive—in this case, a forgivable loan—based on a redevelopment, rehabilitation and/or renovation project that has yet to be undertaken. The letter describes the specific scope of *Approved Works* the *Applicant* will undertake to receive the forgivable loan.

*Complete Application* – includes a completed application form and all required supporting documents for financial incentive program(s) with the *Applicant’s* signature and date.

*Dwelling Unit* – as defined in the City of London Zoning Bylaw, a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping, and sanitary facilities.

*Office-to-Residential Conversion Project* – Means a *Rehabilitation Project* of an eligible vacant officed space into a residential or mixed-use (residential with commercial as permitted in the City of London Zoning By-law) building.

*Property* – land that permits a *Redevelopment Project* or *Office-to-Residential Conversion Project*, as identified by the City of London Zoning By-law, as amended, with a municipal address (including distinct unit numbers, if applicable), located in a place type and zoning that permits residential uses and is located within the Transit Oriented Development Community Improvement Project Area as per Map 1 in Section 2.0.

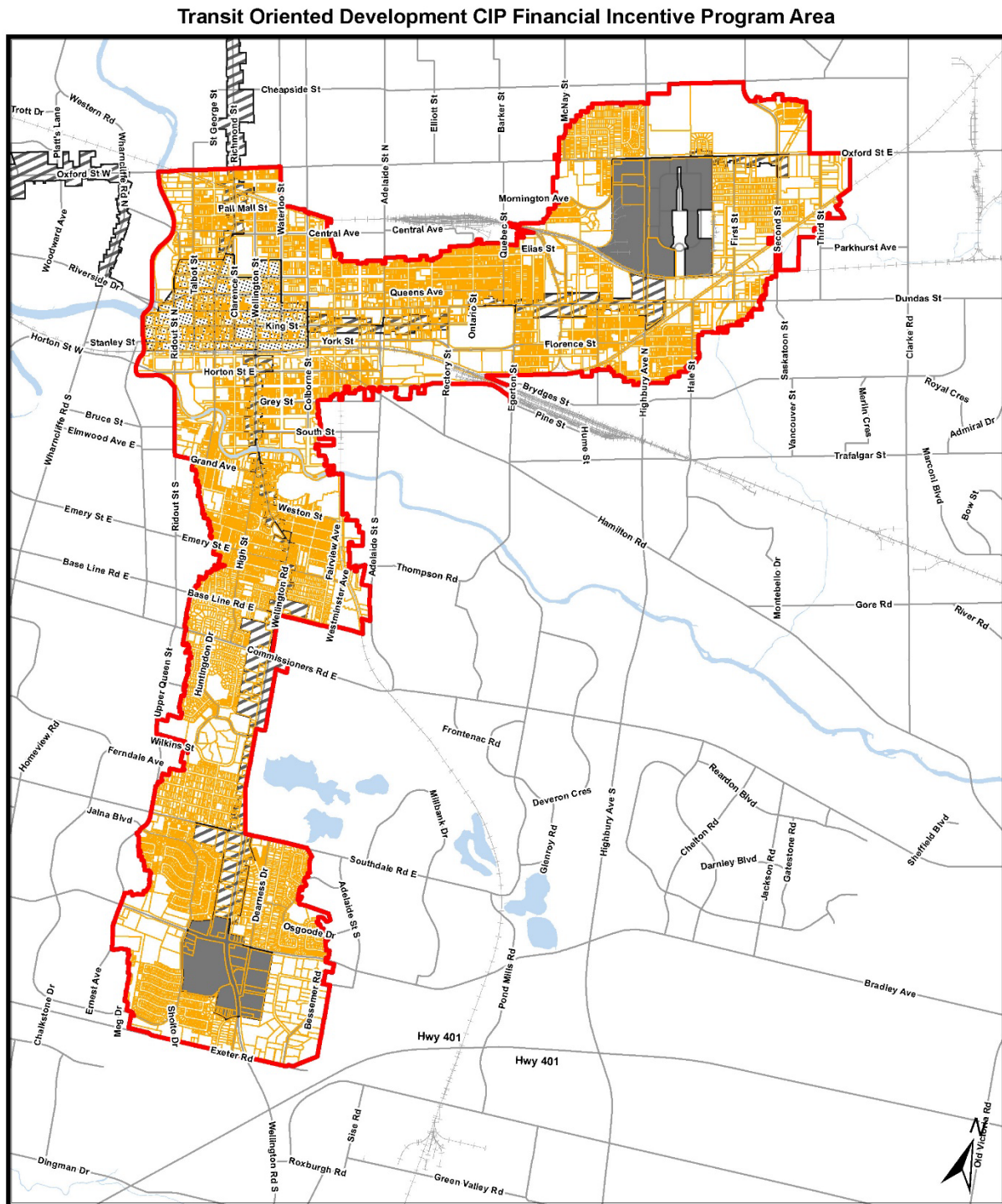
*Property Owner* – the registered owner of the *Property*.

*Rehabilitation Project* – For the purpose of the incentive programs shall mean the restoration or reconstruction of buildings, structures, or parts thereof to modern building standards without the removal of the building or structure from the lot.






**Redevelopment Project** – For the purpose of the incentive programs shall mean the development of lands, which are cleared, planned for demolition, in part or in whole, or which will have the existing building or structure removed from the lot.

## 2.0 Area Eligible for the Transit Oriented Development (TOD) Per-Unit Forgivable Loan Program

**Map 1 – Transit Oriented Development CIP Financial Incentive Program Area**



**LEGEND**

	Downtown Protected Major Transit Station Area		Financial Incentive Program Area
	Rapid Transit Corridor Protected Major Transit Station Area		Parcels Eligible for Incentive Program
	Transit Village Protected Major Transit Station Area		

## 3.0 Program Purpose

The purpose of the TOD Per-Unit Forgivable Loan Program is to incentivize residential development in and around Primary Major Transit Station Areas and Transit Village place types. Through this program, the City of London provides a \$15,000 per unit forgivable loan to support residential development.

#### 4.0 Program Goals

The goals of the TOD Per-Unit Forgivable Loan Program are to:

- Incentivize residential development near transit.
- Help the City achieve its Housing Accelerator Fund approved application housing target of 2,187 additional units.
- Promote intensification and redevelopment within the existing built-up area.

#### 5.0 Eligible Works

- A *Redevelopment Project* or *Rehabilitation Project* in the form of a residential or mixed-use apartment building with 20 or more residential units or an *Office-To-Residential Conversion Project* without a minimum project size located within the area identified on Map 1 in Section 2.0.
- To be eligible, a *Redevelopment Project* or *Rehabilitation Project* must:
  - Have already secured a building permit after September 8, 2024; however, if the building permit was issued prior to September 8, 2024, but is being revised to increase the number of residential units in the project, eligibility for the TOD Per-Unit Forgivable Loan Program will be at the discretion of the Deputy City Manager, Housing and Community Growth or their written delegate.
  - Receive a building permit no later than December 31, 2026.

#### 6.0 Ineligible Works

- Any *Redevelopment Project* or *Rehabilitation Project* located outside the area identified on Map 1 in Section 2.0 is ineligible for the TOD Per-Unit Forgivable Loan Program.

#### 7.0 Program Terms and Conditions

- The proposed *Redevelopment Project* or *Rehabilitation Project* must be a residential or mixed-use apartment building with 20 or more residential units or an office-to-residential conversion project without a minimum project size.
- The City of London is not responsible for any costs incurred by the *Property Owner* or *Applicant* in relation to this forgivable loan program, including without limitation, costs incurred in application of the forgivable loan.
- The proposed *Redevelopment Project* or *Rehabilitation Project* must comply with all applicable zoning regulations set out in the City of London Zoning By-law, as amended.
- The available incentive is only applicable to the residential component of mixed-use buildings.
- The *Redevelopment Project* or *Rehabilitation Project* must be rental tenure.
- The forgivable loan amount is \$15,000 per residential unit created.
- The *Redevelopment Project* or *Rehabilitation Project* shall commence construction within one (1) year of the initial forgivable loan advance and proceed with development regularly and diligently thereafter until completion.
- The *Redevelopment Project* or *Rehabilitation Project* must construct the units and close the building permit on or before the fourth anniversary of the initial forgivable loan advance date. Notwithstanding, the Deputy City Manager, Housing and Community Growth or their written delegate may extend the deadline to complete the *Redevelopment Project* or *Rehabilitation Project* one or more times, at their sole discretion, provided: 1) the cumulative extension period does not exceed two (2) years; and 2) at the time of extension request, the *Applicant* has proceeded diligently with the construction to the satisfaction of the City
- The *Property* is eligible for multiple incentive programs provided through the various Community Improvement Plans.
- All City of London property taxes must be paid in full when the forgivable loan is issued and remain so for the lifetime of the forgivable loan.

## 8.0 Eligibility Criteria

### Applicant Requirements

- The *Applicant* must be the *Property Owner* of the *Property* or an authorized agent (including building tenant or contractor who has been retained to undertake improvements). If the *Applicant* is not the *Property Owner*, they will be required to provide authorization in writing from the *Property Owner* as part of a complete application. For clarity, the *Property Owner* shall enter into the Forgivable Loan Agreement with the City and the City will provide the forgivable loan to the *Property Owner*.
- All mortgages and charges, including the subject financial incentive(s), must not exceed 90% of the post-rehabilitation appraised value of the property (i.e. the *Property Owner* must maintain 10% equity in the property post-improvement).
- The *Property Owner* and/or *Applicant* must not have defaulted on any City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation.
- The *Property Owner* and/or *Applicant* must not be involved in ongoing litigation with the City of London.

### Property Requirements

- Separate applications must be submitted for each single *Property* unless properties are being merged to create a development parcel.

### Building Requirements

- There are no City of London Building Division orders or deficiencies and no by-law infractions relating to the *Property* at the time the forgivable loan is issued.

## 9.0 General Forgivable Loan Application Process

*Step 1:* The *Applicant* contacts City of London staff to discuss the proposed project, who will provide information about incentive programs, review the application form(s), and assist with the application process. This meeting will also help to identify what permits or permissions may be required to complete the proposed improvement project.

Applications made for financial incentive programs do not in any way replace the need for obtaining any necessary approvals. Prior to undertaking building improvements, the *Applicant* is required to obtain any necessary approvals and/or permits. Heritage Alteration Permits (if applicable) will be required before financial incentive applications are accepted. Discussions with staff are encouraged early in the process to ensure proposals comply with City regulations and guidelines, and the proposed improvements are eligible under the incentive program criteria.

*Step 2:* A *Complete Application* is submitted to the City of London. Typically, it includes the following:

- 1) Complete drawings and elevations of the works to be undertaken.
- 2) High-level operating and capital budget for the project.
- 3) Cover letter that summarizes the work to be completed.
- 4) Corporate Profile Report.
- 5) Copy of the Heritage Alteration Permit (if required).
- 6) Property Owner authorization letter (if applicable).
- 7) Any other documents deemed necessary by staff.

*Step 3:* Staff will review the application for completeness and inform the *Applicant* in writing that either more information is required, or the application is accepted. If accepted, the City will provide a *Commitment Letter* which outlines the *Approved Works*, related costs, and monetary commitment that the City is making to the project.



The City's commitment is valid for one year from the date of issuance of the *Commitment Letter*, at which time the first available building permit must be issued and construction begun. The City's commitment applies only to the project as submitted. Any subsequent changes to the project will require review and approval by appropriate staff.

*Step 4:* The *Applicant* can start the *Approved Works* when the necessary approvals and/or permits have been received (e.g. building permit), as identified in the *Commitment Letter* from the City, which serves as a pre-approval for the financial incentive program.

*Step 5:* Before entering into any forgivable loan agreement, staff must ensure the terms and conditions outlined in the City's *Commitment Letter* have been met. Typically, it includes the following:

- 1) The building permit is issued as verified by the Building Division.
- 2) All City of London property taxes must be paid in full and the account deemed in good standing.
- 3) There must be no outstanding debts to the City (except for other CIP loan programs).
- 4) The *Property Owner* and/or *Applicant* must not have defaulted on any City loans or grants.
- 5) There must be no outstanding Building Division orders or deficiencies against the *Property*.
- 6) The *Applicant* is not involved in ongoing litigation with the City of London.
- 7) The lien is registered on property title as security for the forgivable loan.

*Step 6:* The *Applicant* and the City will sign the forgivable loan agreement.

*Step 7:* The City will register the amount of the forgivable loan as a lien against the *Property*.

*Step 8:* Staff will provide the *Applicant* with a cheque in the amount of the forgivable loan.

*Step 9:* The *Applicant* will notify staff once the *Approved Works* has been completed and all necessary final approvals have been granted (e.g., building permit is closed).

*Step 10:* Staff will confirm the *Approved Works* have been completed as outlined in the *Commitment Letter*. Staff may visit the *Property* and take photographs before and after the *Approved Works* are completed.

*Step 11:* The lien is discharged from the *Property* when the final building permit inspection has passed confirming the work to create the residential units has concluded and meets the requirements of the Ontario Building Code.

## **10.0 Forgivable Loan Calculation**

The TOD Per-Unit Forgivable Loan will be calculated by multiplying the total number of units by \$15,000 per unit. Though there is no funding cap per property, the amount of the forgivable loan may be capped if available program funding cannot cover the entire total forgivable loan amount.

Example: For a fictional 100-unit project with five bachelor units, 45 one-bedroom units, 40 two-bedroom units, and 10 three-bedroom units, the TOD Per-Unit Forgivable Loan equals  $100 \times \$15,000 = \$1,500,000$ .

## **11.0 Forgivable Loan Approval**

Once all eligibility criteria and conditions are met, and if funds are available in the supporting Reserve Fund, the Deputy City Manager, Housing and Community Growth or their written designate will approve the forgivable loan application. Forgivable Loan commitments are valid for one year and will expire if the building permit is not issued

within that period and construction begun. The Deputy City Manager, Housing and Community Growth or their written designate may at their discretion provide a written time extension of up to one year; however, the approved funding amount will be rescinded where a building permit has not been issued and loan agreement signed by December 31, 2026.

### **12.0 Incentive Application Refusal and Appeal**

If an application is refused, the applicant may appeal the decision of the Deputy City Manager, Housing and Community Growth or their written designate to the City Clerk's Office who will provide direction to the applicant on how to have the matter heard before Municipal Council through the Planning and Environment Committee.

### **13.0 Inspection of Completed Works**

The City of London will inspect the completed work to verify that the proposed improvements have been completed as described in the application. Planning and Development staff may inspect the property to ensure the residential units have been completed. These inspections are not a building permit inspection. Completion of this inspection does not mean the property meets all Ontario Building Code requirements.

### **14.0 Forgivable Loan Terms**

All construction and improvements made to land shall be made pursuant to a building permit, and/or other required permits, and constructed in accordance with the Ontario Building Code and all applicable Official Plan, Zoning Bylaw, and any other planning requirements and approvals. Additional loan terms are outlined in the forgivable loan agreement.

### **15.0 Forgivable Loan Distribution**

Planning and Development staff will issue the TOD Per-Unit Forgivable Loan to the applicant upon the forgivable loan agreement being signed and confirmation from the Chief Building Official or their written designate that the building permit has been issued.

Prior to issuing the forgivable loan, Planning and Development staff will also confirm:

- A lien in the amount of the forgivable loan has been registered on title as security.
- The property taxes are verified in good standing by the City's Tax Office.
- That any outstanding Community Improvement Plan loans related to the property are in good standing.
- That there are no outstanding orders or bylaw contraventions related to the property.
- The *Applicant* is not involved in ongoing litigation with the City of London.

Upon confirming the above, Planning and Development staff will contact the applicant and provide them with the forgivable loan cheque.

### **16.0 Forgivable Loan Security and Postponement**

The TOD Per-Unit Forgivable Loan is secured through the registration of a lien placed on title for the total amount of the forgivable loan. Liens will be registered and discharged by the City of London. The Deputy City Manager, Housing and Community Growth or their written designate may postpone the lien (subordination of a lien to another lien on the same property) which is given as security for the forgivable loan in circumstances where any of the registered mortgages are being replaced, consolidated, or renewed and the total value of all mortgages and charges including the City's lien does not exceed 90% of the appraised value of the property.

The lien is discharged from the property when the final building permit inspection has passed confirming the work to create the residential units has concluded and meets the requirements of the Ontario Building Code.

## **17.0 Forgivable Loan Agreement**

Applicants in the TOD Per-Unit Forgivable Loan Program are required to enter into a forgivable loan agreement with the City of London. This agreement shall specify such items as (but not limited to) the amount of the forgivable loan, forgivable loan payment date, and the *Applicant* and/or *Property Owner's* obligation to repay the City because of a default. The agreement shall include the terms and conditions included in these program guidelines. The forgivable loan agreement will be signed by the Deputy City Manager, Housing and Community Growth, or their written designate.

The forgivable loan agreement will be registered on the property's title by the City of London.

## **18.0 Repayment Provisions and Interest**

The forgivable loan will accrue interest at a rate of 8% per annum, compounded and calculated every 30 days, commencing upon the advance date of the loan. Provided the *Property Owner* has complied with the terms and conditions of the forgivable loan agreement, the principal and interest shall be forgiven at the end of the term.

## **19.0 Change in Property Ownership**

If a participating property is sold, in whole or in part, before the forgivable loan is issued, the applicant and/or the subsequent landowner is not entitled to the outstanding forgivable loan payment (on either the portion sold or retained by the applicant). The new owner of the property is required to submit a new application to the TOD Per-Unit Forgivable Loan Program. If the property is sold, in whole or in part, after the forgivable loan has been issued, but before the *Redevelopment Project* or *Rehabilitation Project* has been completed, the forgivable loan becomes repayable under the terms of the loan agreement.

## **20.0 Relationship to other Financial Incentive Programs**

It is intended that the TOD Per-Unit Forgivable Loan Program will complement other incentive programs offered by the City of London. Applicants may also qualify for financial assistance under those programs as specifically detailed within their program guidelines. A separate application and approval process to qualify for and receive funding from these other programs is required.

## **21.0 Forgivable Loan Program Monitoring**

Planning and Development staff will monitor the TOD Per-Unit Forgivable Loan Program applications. The program is monitored to ensure it implements the goals of the Transit Oriented Development Community Improvement Plan.

Staff will enter relevant application information into a monitoring database. Table 1 summarizes the monitoring data. The data is used during CIP reviews to determine if the program should continue, be modified, cease to issue any new commitments, or be discontinued.

Planning and Development staff will also review the monitoring data and where the review finds an excess or lack of applications relative to the available funding, adjustments may be made to the TOD Per-Unit Forgivable Loan Program, including the financial incentive amount provided, and the application intake and assessment processes.

Table 1 – Monitoring Data

Program Name	Data to Collect
TOD Per-Unit Forgivable Loan	<ul style="list-style-type: none"> <li>• Number of applications submitted</li> <li>• Number of approved and denied applications</li> <li>• Total dollar amount of funds committed and issued</li> <li>• Planning approval and construction status of applications</li> <li>• Number of units and unit types funded</li> <li>• Number of affordable housing units funded (if any)</li> <li>• Location of funded projects</li> <li>• Construction cost of funded projects</li> <li>• Pre-assessment property value</li> <li>• Post-assessed property value</li> <li>• Number of defaults</li> <li>• Value of defaults</li> </ul>

**22.0 Forgivable Loan Program Discontinuation**

If the Housing Accelerator Fund program is terminated for any reason and the HAF funding is no longer available, Civic Administration will bring a report forward to Municipal Council to determine whether to proceed with any outstanding funding commitments the City has made to applicants through the Per-Unit Forgivable Loan Program from another funding source.

Municipal Council may discontinue the TOD Per-Unit Forgivable Loan Program at any time; however, any existing forgivable loan will continue in accordance with the executed agreement.

Unless additional funding is approved for this Program, the Program will end on December 31, 2026.

**23.0 TOD Per-Unit Forgivable Loan Program Version History**

Version	Date	Changelog
1.0	April 1, 2025	Initial Program Guidelines release

**“Appendix 1”**

**Loan Agreement  
Transit Oriented Development Per-Unit Forgivable Loan Program**

---

This Agreement made in triplicate this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

BETWEEN:

**THE CORPORATION OF THE CITY OF LONDON,**  
hereinafter called "the City";

- and –

**<OWNER>**

hereinafter called "the Owner";

WHEREAS the Owner represents that they are the registered owner of the property, known municipally as \_\_\_\_\_, located in the Transit Oriented Development Community Improvement Project Area in the City of London, in the County of Middlesex and more particularly described in **Schedule "A"** attached hereto (the "Land");

AND WHEREAS section 28(7) of the Planning Act, R.S.O. 1990, c. P.13 authorizes a municipality to make grants or loans in conformity with a community improvement plan to registered owners within a community improvement project area;

AND WHEREAS the City has established the Transit Oriented Development Per-Unit Forgivable Loan within the Transit Oriented Development Community Improvement Plan to accelerate development near and within the City's Protected Major Transit Station Areas and Transit Village place types by providing a forgivable loan to qualified applicants;

AND WHEREAS the Owner has applied to the Transit Oriented Development Per-Unit Forgivable Loan Program, and the City has provisionally accepted the application pursuant to the City's Commitment Letter dated \_\_\_\_\_, in **Schedule "B"** attached hereto;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the parties hereto covenant and agree each with the other to comply with, keep, perform and be bound by each and every term, condition and covenant herein set out to the extent that the same are expressed to be respectively binding upon them, and the same shall enure to the benefit of and shall be binding upon their respective heirs, executors, administrators, successors and assigns.

1. Definitions: The words and phrases defined in this section shall, for all purposes of this Agreement and of any subsequent agreement supplemental hereto, have ascribed to them the meanings herein specified unless the context expressly or by necessary implication otherwise requires:

**"Commitment Letter"** is the document prepared by the City attached hereto as Schedule "B".

**"Dwelling Unit"** means a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping and sanitary facilities.

**"Loan"** means the amount loaned by the City to the Owner as described in Section 3;

**"Project"** means the construction of the Dwelling Units as described in Section 2 below.

2. Construction of Project: The Owner hereby agrees to construct [*insert number*] Dwelling Units on the Land for rental housing in accordance with the Commitment Letter (the "Project") as follows:

Type of Unit	Number of Unit Type	Loan Amount
(e.g. 1 bedroom)		

3. Loan Amount: The City shall loan to the Owner, the total amount of \_\_\_\_\_, (the 'Loan") by way of a single lump-sum payment payable within sixty (60) days of the parties' execution of this Agreement, subject to the remaining terms herein, in consideration of the Project.
4. Preconditions to Loan Advance: The provision of the Loan is subject to the following conditions precedent:
  - (a) All applicable property taxes must be fully paid to date for the Land;
  - (b) A certificate of lien is registered against title to the Land by the City pursuant to section 9 below;
  - (c) A building permit being issued for the Project;
  - (d) The City has approved the Owner's capital and operating budget for the Project;
  - (e) there are no outstanding orders or bylaw contraventions related to the Land and the Project otherwise complies with municipal by-laws and provincial law; and
  - (f) The Owner is not involved in ongoing litigation with the City of London.
5. Term of Loan: The Loan shall have a term of four (4) years, commencing from the advance date of the Loan, subject to the Loan Forgiveness provisions below. The City may agree to extend the Term one or more times, at its sole discretion upon the Owner's written request, provided: 1) the cumulative extension period does not exceed two (2) years; and 2) at the time of extension request, the Owner has proceeded diligently with the Project to the satisfaction of the City.
6. Interest: Interest shall accrue on the principal amount of the Loan at a rate of eight percent (8%) per annum, compounded and calculated every 30 days, commencing from the advance date of the Loan. The accrued interest shall become payable at the end of the Term or in accordance with the default provisions in this Agreement, subject to the Loan Forgiveness provisions below.
7. Loan Forgiveness: The Loan, including all accrued interest, shall be fully forgiven following the date on which the final building permit inspection has been passed, confirming the work to complete the Project has concluded and meets the requirements of the Ontario Building Code, all to the satisfaction of the City and provided no default has occurred under this Agreement (the "Completion Date").
8. Commencement of Construction: The Owner shall commence construction of the Project within one (1) year of the commencement of the Term and proceed with development regularly and diligently thereafter until completion. The Owner shall fully complete the Project and achieve the Completion Date prior to the end of the Term, failing which, the Owner shall be deemed to be in default under this Agreement.
9. Lien Registered on Land: The Owner acknowledges and agrees that the City shall register a certificate of lien upon the Land in the amount of the Loan, in accordance with Subsections 28(7), 28(9) and 32(3) of the *Planning Act*, R.S.O. 1990, c. P. 13. The lien shall be discharged following the Completion Date or payout of the Loan, subject to the default provisions of this Agreement. The City may, at its sole discretion, consent to the postponement of the lien registered on title to the Property in favour of another encumbrance on the condition that the total value of all registered mortgages and charges continues to not exceed 90% of the post rehabilitation appraised value of the Property.
10. Agreement Registered on Land: The Owner acknowledges and agrees that the City may, at its option, register this Agreement on title to the Land pursuant to Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13. This Agreement shall be discharged from title to the Lands by the City any time after the Completion Date or payout of the Loan, subject to the default provisions of this Agreement.
11. Insurance: The Owner shall maintain the following insurance until the Completion Date:
  - (a) fire and extended perils insurance under a standard extended form of fire insurance policy in such amounts and on such terms and conditions as would be carried by a prudent owner of a similar building, having regard to the size, age and location of the building; and

- (b) general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Land written on a comprehensive basis with inclusive limits of at least five million dollars (\$5,000,000) for each occurrence and such insurance shall add the City as an additional insured.
12. Indemnity: The Owner shall indemnify and save the City, its officers, directors, employees, agents harmless from and against all claims, actions, losses, expenses, costs or damages of every nature and kind that the City may suffer, caused or alleged to be caused by any willful or negligent act, omission or delay on the part of the Owner or its officers, directors, employees, contractors or agents, in connection with anything purported to be or required to be done by the Owner in connection with this Agreement, including the Loan and Project.
  13. Representations and Warranties of the Owner: The Owner represents and warrants that they have never defaulted on a City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation; they shall remain in good standing under the terms of any construction financing secured against the Lands during the term of this Agreement; that property taxes are paid in full and there are no City of London Orders or by-law infractions currently outstanding in relation to the Land. If property taxes are owing on the Lands for more than one full year or the Owner is declared in default under any other financing arrangement secured against the Lands, the City will have the option, without notice and at its own discretion, to declare the Owner in default under this Agreement.
  14. Assignment and Transfer: In the event the Owner transfers any interest in the Land, in whole or in part, to any person other than the Owner, the outstanding balance of the Loan, including any interest or penalties accrued, shall become immediately due and payable. Notwithstanding, the City may, at its sole discretion, consent to the assignment of the Loan to a transferee prior to a transfer being completed.
  15. Termination: The parties acknowledge and agree that this Agreement and all obligations of the parties hereunder, shall be terminated upon the passing of the Completion Date or the full repayment of the Loan, including any applicable interest. This Agreement may also be terminated earlier upon the written agreement of the parties to same.
  16. Subsequent Owners Bound: Subject to the provisions of the *Registry Act* and the *Land Titles Act*, the covenants, agreements, conditions and understandings herein contained on the part of the Owner shall be conditions running with the Land and shall be binding upon it, its heirs, executors, administrators, successors and assigns, as the case may be, as subsequent owners and occupiers of the Land from time to time (and "Owner", wherever used in this Agreement, is intended and shall be construed to include such subsequent owners and occupiers) in accordance with Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13.
  17. Default: Time shall be of the essence in this Agreement. Upon breach by the Owner of any covenant, term, condition or requirement of this Agreement, or upon the Owner becoming insolvent or making an assignment for the benefit of creditors, the Owner shall be in default under this Agreement. Notice of such default shall be given in accordance with this Agreement and if the Owner has not remedied such default within such time, as provided in the notice, the City may direct that the balance owing on the Loan together with interest and penalties be immediately due and payable. Interest shall continue to accrue at a rate of 8% per annum, compounded and calculated every 30 days, from the date of the event of default until the Loan and accrued interest are repaid. The City may add the amount of the Loan and accrued interest to the collector's roll and collect the Loan in like manner as municipal taxes.
  18. Enforcing Performance of Requirements: In addition to any remedy authorized or permitted by this Agreement or by law, the City may, in the event of a default by the Owner under this Agreement, do such matter or thing at the Owners' expense to correct the default, and the City may recover the expense incurred in doing it by action, from any security posted by the Owner, or by recovery in like manner as municipal taxes. No proceeding by the City under this clause and no waiver under any provision of this Agreement shall prejudice the rights of the City in respect of any subsequent default by the Owner under this Agreement. The rights of the City may be enforced by any remedy authorized or permitted by this Agreement or by law, and no such remedy shall be exclusive of or dependent on any other remedy.
  19. Notice: Any notice required or permitted to be given pursuant to the terms of this Agreement shall be given in writing, sent by prepaid registered post, addressed in the case of notice given

by the City to the Owner at the municipal address of the Land, and in the case of notice given by the Owner to the City addressed to: The City Clerk, P.O. 5035, London, Ontario N6A 4L9. Notice shall conclusively be deemed to have been given on the day that the same is posted.

- 20. Separate Covenants: All of the provisions of this Agreement are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate clause hereof. Should any provision of this Agreement be adjudged unlawful or not enforceable, it shall be considered separate and severable from the Agreement and its remaining provisions as though the unlawful or unenforceable provision had never been included.
- 21. Entire Agreement: This Agreement (including any Schedules, Exhibits and Attachments) shall constitute the entire Agreement of the parties with respect to, and supersedes all prior written and oral agreements, understandings and negotiation with respect to the subject matter hereof.
- 22. Number and Gender: This Agreement shall be read with all changes to gender required by the context.

IN WITNESS WHEREOF the City has executed this Agreement by its authorized officers and the Owner has hereunto set its hand and seal, or hereunto affixed its corporate seal attested by the hands of its duly authorized officers.

**THE CORPORATION OF THE CITY OF LONDON**

---

**<OWNER>**

---

Name:

Title:



**SCHEDULE "A"**  
**DESCRIPTION OF LAND**

Property Address: \_\_\_\_\_

Legal Description: *[Lot/Part Lot/33R Plan/ etc.]*

**SCHEDULE "B"**  
**LOAN COMMITMENT LETTER**

## **Appendix E – Internal and Agency Comments**

### **Upper Thames River Conservation Authority (UTRCA)**

- Certain lands within the City of London are regulated by the UTRCA. Prior to advancing any proposal for new development within areas regulated by the UTRCA, including properties eligible for the CIP incentives, the UTRCA may require a Section 28 permit application.
- The UTRCA has no objections to this application.

### **Ecology**

This e-mail is to confirm that there are currently no new ecological planning issues related to this application and/or associated study requirements.

### **Major issues identified**

- None

### **Ecology – complete application requirements**

- None

### **London Hydro**

London Hydro has no objection to this proposal or possible official plan and/or zoning amendment. Any new or relocation of the existing service will be at the expense of the owner.

## Appendix F – Public Engagement

Four questions were received during the January 14, 2025, community information session:

- What are the financial incentives being considered (grants) and what part addresses affordable units?
- Can the capital grant be used to address servicing capacity issues?
- Is this federal program available only if the City hits certain intensification targets?
- Can lands zoned for high-density residential development, located within PMTAs, be considered eligible for the funding?

## Appendix G – The London Plan Policies

### Our City – Urban Regeneration

153\_ Urban regeneration is about supporting sensitive growth and change within our urban areas so that they are sustainable and prosperous over the long term.

154\_ Through our urban regeneration efforts we will:

5. Strengthen our city core by nurturing the development of Downtown and the urban neighbourhoods that surround it.
6. Promote the long-term sustainability of urban neighbourhoods throughout the built-up areas of our city, by striving to retain and enhance the viability of their built and natural assets, and their critical social and economic connections.
8. Facilitate intensification within our urban neighbourhoods, where it is deemed to be appropriate and in a form that fits well within the existing neighbourhood.
9. Expand the city's range of housing choices and create opportunities for affordable housing in London through the regeneration of urban neighbourhoods.

164\_ Subject to the Community Improvement Plan policies in the Our Tools part of this Plan, City Council may designate, by by-law, community improvement project areas anywhere within the municipal boundary. Existing Community Improvement Project Areas are shown on Map 8 - Community Improvement Project Areas. New Community Improvement Project Areas identified by City Council will be added by an amendment to Map 8 of this Plan. A community improvement plan may be used to provide Council with a set of tools that could include grants, loans, or other incentives that are intended to support community economic development, or to address social or environmental conditions that the City has identified as important to improve.

### Homelessness Prevention and Housing

511\_ In conformity with the Urban Regeneration policies in the Our City part of this Plan, community improvements plans may be created to identify programs and funding that will encourage the improvement of the existing housing stock and the development of new housing.

### Our Tools – Community Improvement Plans

1724\_ In accordance with the provisions of the Planning Act, a by-law may be passed to identify areas designated for Community Improvement (a Community Improvement Project Area). These are shown on Map 8 - Community Improvement Project Areas. City Council may also adopt a community improvement plan for the area(s) designated for community improvement.

1726\_ Community improvement plans are intended to provide City Council with the necessary tools to stimulate reinvestment and redevelopment, inspire appropriate infill and intensification, coordinate planning efforts, improve the physical infrastructure, support community economic development, preserve neighbourhood and cultural heritage value, and lead to the establishment of an improved neighbourhood. The tools to implement community improvement plans may include incentives and targeted private and/or public investment to achieve the vision, key directions and policies in *The London Plan*. Council may also acquire, clear and dispose of land to support community improvement and economic development, or use any other methods to support community improvement or environmental, social or community economic development that is permitted by the legislation.

1727\_ Community improvement is intended to meet the following objectives (only relevant sub policies are listed):

1. Maintain and improve the public realm, including such things as streets, sidewalks, street lights, street trees, pathways, parks, open spaces, and public buildings.

4. Stimulate private sector property maintenance, repair, rehabilitation, redevelopment and other forms of private sector investment and reinvestment activity.
5. Maintain and improve the physical and aesthetic amenities of streetscapes in both the public and private realms.
6. Encourage the conservation, restoration, adaptive re-use and improvement of cultural heritage resources.
9. Foster the revitalization and continued improvement of the Downtown and other existing commercial districts including but not limited to the Old East Village, the SoHo Area, and other established business districts.
10. Upgrade social and recreational facilities and support the creation of affordable housing.
11. Support the implementation of measures that will assist in achieving sustainable development and sustainable living.
12. Improve environmental and social conditions.
14. Facilitate and promote community economic development.
15. Promote and improve long-term community stability, safety and quality.

1728\_ To identify an area for community improvement, City Council shall consider the following criteria:

1. Deficiencies in physical infrastructure including but not limited to the sanitary sewer system, storm sewer system, and/ or watermain system, streets, sidewalks, curbs, streetscapes and/or street lighting, and municipal parking facilities.
2. Deficiencies in recreational, social or community facilities including public open space, municipal parks, neighbourhood parks, indoor/outdoor recreational facilities, and public social facilities.
3. Commercial, residential, industrial and mixed-use areas with poor physical condition and/or poor visual quality of the built environment, including but not limited to building façades, building condition, streetscapes, public amenity areas and urban design.
4. Vacant lots and/or underutilized properties and buildings which have potential for infill, redevelopment, expansion or development to better utilize the land base.
5. Non-conforming, conflicting or incompatible land uses or activities that disrupt or threaten to disrupt the predominant land use, function and/or viability of an area.
6. A demonstrated interest in community improvement by the private firms within an area.
7. Presence of potential or recognised cultural heritage resources.
8. Known or suspected areas of environmental contamination.
9. Lack of or deficient affordable housing or mix of housing opportunities.
10. Improvement to energy efficiency and/or renewable energy efficiency.
11. Traffic and/or parking problems or deficiencies.
12. Other significant barriers to the repair, rehabilitation, redevelopment or development of underutilized land and/ or buildings.
13. Other significant environmental, social or community economic development reasons for community improvement.