

CK 145 Attainable Homeownership White Paper

A municipal delivery plan for 145 starter homes in Chatham Kent

Ryan Gow | Campaign policy proposal | Second draft | September 30 2026

Executive recommendation

I propose CK-145 because Chatham-Kent can remove land, infrastructure and approval barriers that private builders cannot economically solve alone at an attainable entry-level price. The municipality can assemble suitable sites, coordinate shared servicing and move approvals forward before builders commit capital. Private builders then construct and sell the homes, and qualified households purchase them with mortgages from recognized lenders. Public investment must produce a demonstrable cost advantage that reaches the buyer.

The proposed program delivers 145 attainable, owner-occupied starter homes through three 40-home packages and a final 25-home tranche. The target household can sustain a mortgage and the ongoing costs of ownership but cannot access a suitable modest new home because of price, down-payment constraints or lack of supply. CK-145 addresses that gap through prepared land and disciplined private construction.

My recommendation is to authorize funded feasibility work and procurement preparation now, with initial findings within 90 days and a complete first-phase business case within 120 days. Begin with the most deliverable 40-home package. Award construction only after the site, full delivered price, household affordability, buyer demand, financing and legal structure pass the published gates. Use actual first-phase results to decide whether to proceed with the next 40, the third 40 and the final 25. No fixed sale price or grant award is promised before that work is complete.

CK-145 is one customer of a broader municipality-wide Land Bank function that inventories land, evaluates its best public use and prepares suitable parcels for delivery. The proposed Municipal Infrastructure Investment Fund, or MIIF, provides a disciplined capital program for approved public infrastructure. Existing staff and municipal powers can begin the work while Council evaluates the Land Bank corporate structure.

Federal support should be pursued in three separate ways: eligible municipal infrastructure funding, project financing for a qualifying affordable ownership model, and buyer assistance through existing tax and mortgage programs. They have different applicants, conditions and repayment obligations. A national funding announcement is not an allocation to CK-145.

The central financial rule is simple: every dollar must be identified as a recoverable advance, a permanent subsidy or an expenditure on a public asset. A revolving fund cannot recycle money that has been permanently given away. Lower prices must reach the buyer through enforceable sale terms, rather than disappear into land uplift or builder margins.

Decisions proposed for Council

- Authorize a 90-day site inventory, builder market sounding and legal review, followed by a complete first-phase business case within 120 days.
- Approve a limited predevelopment budget separately from construction and servicing capital; require an identified source and spending ceiling for each.
- Publish site selection, buyer eligibility, procurement and subsidy recovery rules before selecting builders or buyers.
- Request written federal and provincial eligibility guidance for the actual ownership model and infrastructure scope.
- Approve the first 40 homes only when the full cost and funding plan are credible; require a new decision for each later tranche.

1 Purpose and policy boundaries

CK-145 creates an entry point into ownership for households able to sustain a mortgage, property taxes, utilities, insurance and maintenance, but held back by the price or scarcity of suitable new starter homes or by down-payment constraints. Assistance must still leave the household with an affordable monthly budget. The program tests whether municipal preparation and private construction can deliver a repeatable cost advantage.

The earlier campaign concept identified Chatham, Wallaceburg and Blenheim for 40 homes each, followed by 25 in another Chatham-Kent community. Those remain geographic objectives, subject to demand and site readiness. Contract packages and sites are different things: a 40-home tender could combine several nearby parcels, while a large site could support more than one phase. Council should not force a uniform allocation where infrastructure makes one location substantially more expensive.

CK-145 should add homes. Converting occupied affordable rental housing into ownership could displace renters and defeat that purpose. Existing rental commitments must be protected when allocating land and funding.

CK 145 within the housing continuum

Attainable homeownership serves households that can finance a purchase and sustain ownership costs. Mixed-income, non-profit co-operative rental housing offers a different arrangement: the co-operative holds the housing and members govern it collectively, rather than buying individual homes for resale. A future CK co-op strategy could combine households paying different housing charges, subject to its own financing and subsidy model. [26, 44]

Rent-geared-to-income housing ties eligible households' rent to income under the applicable assistance rules. It can be provided through municipal, non-profit or co-operative housing; it describes the rent assistance, not a single building or tenure type. Supportive housing combines long-term housing assistance with ongoing services that help residents live independently. These programs address needs that an ownership mortgage cannot meet. [43, 45]

CK-145 is not intended to replace co-operative rental, rent-geared-to-income or supportive housing. A future co-op strategy can operate alongside it with separate land decisions, capital and operating plans, and measures of success. Co-op rental homes and other rental or supportive units must not count toward the 145 ownership homes.

The relationship with Maple City Power should remain optional. Efficient buildings, roofs suitable for solar where practical, and sensible electrical design can be evaluated on lifecycle cost. Unapproved electricity revenue, delivery rebates or a future municipal utility should contribute zero to the CK-145 base financial case.

2 Evidence and the historical basis

The name has a documented local foundation. CMHC's 1949 annual report, Table 13 on printed page 75, lists Chatham with 145 rental housing units offered for sale during 1946–1949. Its 1954 report, Table 23 on printed page 98, records 145 offered and 145 sold during 1946–1954. These are cumulative sales-program figures; they do not establish that all 145 were constructed in one year or from one design. [1, 2]

The 1947 report describes contracts with private contractors and agreements with municipalities, and a program in which municipalities provided land and services while the federal corporation financed construction. That supports the principle of coordinated public enabling work and private delivery. It does not establish an entitlement to equivalent federal financing today, nor verify a Chatham-specific one-dollar land transaction or a particular historical sale price. Those additional claims should not be used without separate archival evidence. [3]

Chatham-Kent's May 2026 Strategic Housing Action Plan forecasts 6,085 additional homes between 2025 and 2050, including 3,355 ownership homes and 750 affordable ownership homes. Completing 145 represents about 2.4% of the total forecast, 4.3% of ownership demand, and 19.3% of the affordable ownership target only if every CK-145 home meets that definition. The plan identifies affordable rental shortages and infrastructure capacity as important constraints. [4]

The 2025 Housing Needs Assessment records a January 2025 average sale price of \$464,769 and a \$10-million Housing Accelerator Fund award. The sale price is a dated market snapshot, not a September 2026 valuation or a new-home construction benchmark. Before launch, staff should update prices, local incomes and buyer demand by community. [5]

What this evidence supports

CK-145 has a defensible scale and a clear delivery rationale. It is too small to solve the housing shortage alone, and new construction is not automatically cheaper than existing resale homes. The business case must compare an assisted new home with buying and repairing an existing home, providing down-payment assistance alone, and enabling private infill through approvals. The proposed program earns expansion by outperforming realistic alternatives.

3 The Land Bank and the municipal land inventory

The proposed Land Bank should serve Chatham-Kent as a whole, with CK-145 as one customer. It should maintain a complete inventory of municipally owned land and a register of strategically available parcels, clearly distinguishing confirmed availability from potential opportunities. For each parcel, assess the highest and best public use: housing, employment, infrastructure, recreation, another municipal service or retention for future needs. A housing program should draw from that assessment rather than assume every public parcel belongs in its pipeline.

Combine property records, planning maps, utility capacity information and capital plans into one parcel register. Record current uses, funding commitments and restrictions as well as vacant land. For housing, review former school sites, surplus institutional land, usable portions of underutilized facilities and appropriate

infill. Approach school boards, provincial and federal custodians, and willing private owners for additional candidates. Their land is available only when the owner confirms it; no discount or transfer is assumed.

For parcels selected for development, the Land Bank should coordinate due diligence, servicing plans, zoning and approvals, then track progress toward readiness. Publish the evidence and remaining conditions before presenting a parcel as a deliverable project. Early consultation can discuss a potential use, but an announcement should not imply that homes or a construction schedule are secured before costs and major constraints are known. CK-145 applies the detailed screens and approval gates below; the broader Land Bank mandate requires its own policy review.

Moving an existing public function to release land can be worthwhile, but relocation is part of the housing cost. Compare the replacement facility, transition cost, lost service value and housing yield with the cost of another site. A nominally free parcel that requires an expensive move is not free housing land.

Screen every site before acquisition or announcement

- Title and control: surveyed boundaries, registered interests, easements, leases, rights of reversion, restrictions on grants, acquisition authority and independent appraisal.
- Environment and ground: Phase I environmental assessment, targeted Phase II testing when warranted, remediation and Record of Site Condition requirements, geotechnical conditions, groundwater, foundations and demolition hazards.
- Planning: Official Plan designation, permitted tenure and built form, zoning, subdivision or consent requirements, servicing agreements, heritage, archaeological screening and applicable consultation.
- Utilities: written confirmation of water supply, sewer capacity, stormwater outlet and treatment constraints; electrical connection capacity, utility relocation and connection lead times.
- Access and site design: legal road access, fire access, drainage, parking, waste collection, accessible routes, construction staging and net land remaining after setbacks and easements.
- Community fit: walkable services where available, access to employment, transit, schools and healthcare; flood and erosion hazards; operating and maintenance costs.
- Commercial feasibility: realistic dwelling yield, complete infrastructure estimate, schedule, buyer pool, financing and an alternative-site comparison.

Each record should name the responsible lead, date of last review, supporting evidence, proposed public use and readiness status. A parcel is not “shovel-ready” until servicing and major constraints have been costed and the remaining approvals, funding and delivery requirements are identified. Publish the register’s non-confidential fields and explain why preferred sites beat the alternatives.

Proposed site ranking

Criterion	Weight
Infrastructure cost and confirmed capacity	30%
Buyer demand and household affordability	20%
Control and achievable approvals	15%
Environment and climate risk	15%
Construction cost and usable yield	10%
Services and community fit	10%

These weights are proposed. Fatal constraints override a good score: an unsafe site, an unaffordable servicing requirement or unresolved legal control cannot be averaged away. No political office should waive these tests for a favoured property.

4 Local properties and the lesson from 55 Minnie

55 Minnie Street in Wallaceburg is the clearest local example of why infrastructure due diligence must come before project announcements. Public land was available, housing concepts had been developed and funding had been approved. A later servicing review exposed major infrastructure requirements that undermined the economics of proceeding at that location. Minnie establishes the CK-145 rule: available land, a design and a grant are not enough to call a parcel “shovel-ready”. Servicing and major constraints must first be costed. [6, 7]

August 2024 reporting reproduced the municipal staff account: pre-design, feasibility and costing had been completed for 43- and 58-unit apartment options, and provincial approval for \$4,074,560 was received on March 6, 2024. Further review identified water, wastewater and stormwater improvements estimated at up to \$7 million, with implications for the municipality’s scheduled engineering work and the funding deadline. Council instead advanced the Westcourt development, and April 2025 reporting described Minnie as paused. The municipality’s project page confirms the August 12, 2024 decision to advance Westcourt. These are historical rental concepts and estimates, not current prices for CK-145 starter homes. [6, 7, 46]

If \$7 million were allocated entirely to 43 homes, the infrastructure alone would be approximately \$162,791 per home; across 58, it would be \$120,690. This arithmetic explains why free land can still be uneconomic. If works also serve existing properties or future development, engineers must allocate the cost fairly across beneficiaries. We should neither charge the entire network upgrade to one project without justification nor hide the broader cost outside its business case.

A lower-density ownership layout could change the servicing scope, but spreading fixed infrastructure costs across fewer homes could also increase cost per home. Treat Minnie as a costed feasibility test, not a guaranteed 40-home CK-145 location. Compare feasible ownership forms, affordable rental or co-operative use, phased infrastructure and other Wallaceburg parcels using a fresh engineering estimate.

April 2026 planning records identify 55 Minnie as a roughly 6,600-square-metre parcel. The April 27 approval notice explicitly postponed site-specific zoning consideration for Minnie and six other listed properties. That notice does not establish their present zoning approval status. Current title, approval and servicing records must govern any procurement. [8, 9]

Candidates and existing commitments

Property	Evidence and appropriate CK 145 treatment
55 Minnie Street Wallaceburg	Screen as a constrained candidate. Refresh servicing, yield and tenure alternatives before commitment.
426 Lacroix Street Chatham	Municipal acquisition announcement: more than 4.4 acres, \$1,699,999 from the HAF-funded Affordable Housing Reserve. Review remaining housing area and existing rental procurement. [10, 11]
55 Croydon Street Chatham	Named with Lacroix in a 2026 affordable rental REOI. Do not assume available for ownership. [11]
92 Churchill Street Chatham	Included in the April 2026 site list. Verify current control, commitments, conditions and approvals. [9]
199 Westcourt Boulevard Wallaceburg	Existing affordable housing initiative. Preserve its housing and funding commitments; assess residual opportunities separately. [6, 9]
110 Sandys and Park Street or Park Avenue East properties	Named in April 2026 planning notice. Inventory context only; no claim of vacant, uncommitted land. [9]
Blenheim and a further CK community	Commission a parcel search. No residential site or unit yield has been established by this paper.

426 Lacroix and the purpose of housing land

The municipality's acquisition announcement identified more than 4.4 acres at 426 Lacroix Street for future affordable and attainable housing, with the \$1,699,999 purchase funded entirely through its Affordable Housing Reserve using Housing Accelerator Fund dollars. It described a significant housing opportunity and a planned expression of interest for redevelopment. A 2026 rental REOI subsequently included Lacroix. These records establish a housing purpose, not an uncommitted CK-145 site. [10, 11]

The municipality has also awarded Fire Station 1 design services for 426 Lacroix. September 2026 reporting quotes the head of engineering and infrastructure describing approximately 1.1 acres for the firehall, with the remaining land intended for housing. The proposal is at the design stage; the housing area and usable yield still depend on access, setbacks, drainage, servicing and the relationship between the two uses. [12, 13]

Proposed policy principle: municipal land acquired or funded for housing should carry a presumption in favour of housing. Council should depart from that purpose only through a public decision demonstrating that another use is necessary and produces greater public value. The supporting report should compare

alternatives, identify housing capacity lost or retained, explain the costs of replacing that capacity, and confirm any funding restrictions before committing the land.

This principle requires an accountable land-use decision; it does not establish that the firehall proposal is unlawful or that HAF conditions have been breached. The applicable agreements and current housing submissions must be reviewed. A firehall's service benefits and alternatives should be assessed alongside the housing opportunity cost, rather than treating the remaining acreage as automatically ready for CK-145.

5 Homes and tenure that buyers can finance

Begin with a small set of repeatable two- and three-bedroom designs. Compact semis and fee-simple townhouses should be the main options examined; compact detached homes can be included where the site and price justify them. Proposed design ranges of about 800–1,100 square feet for smaller homes and 1,000–1,300 for family homes are procurement starting points, not adopted specifications or cost guarantees.

CMHC's current Housing Design Catalogue offers more than 50 regionally tailored designs, including rowhouses, townhouses, multiplexes and detached accessory dwellings. It includes accessible-ready layouts and energy performance above code minimums. The catalogue is useful design infrastructure, but local professionals must adapt plans to the parcel, Ontario requirements, foundations, servicing and permits. Its plans do not constitute blanket municipal approval. [14]

Prefer straightforward roofs, standard windows, repeated kitchens and plumbing layouts, efficient use of circulation space and durable materials. Bidders should price conventional construction, panelized construction and modular alternatives on the same complete scope. Factory delivery is only cheaper if transport, crane work, foundations, connection, financing and warranty costs are included. Require an Ontario approval and inspection pathway before accepting an alternative method.

Avoid layouts that create a low headline price and high recurring fees. A condominium or shared private road may be appropriate on a particular site, but budgets must include reserve funds, management, snow removal, insurance, repairs and the lender's treatment of fees. A ground lease can reduce the purchase price while adding rent and financing constraints. Neither should be presented as equivalent to ordinary fee-simple ownership.

Ask lenders and mortgage insurers to review representative title arrangements, affordability covenants and second mortgages before tender. Buyer reservations should remain conditional until the completed ownership product is financeable. Builders must satisfy applicable licensing, new-home warranty, deposit protection, inspection and occupancy requirements; a low price does not justify reducing protections.

Quality and operating cost requirements

Specify insulation and air-sealing performance, ventilation, moisture control, summer comfort, durable drainage and a maintenance manual. Commission third-party quality checks before walls close and at completion. Assess heat pumps and other systems against electrical service, cold-weather operation, repair access and total cost. Include accessible homes and adaptable features in the design mix, with the number and standard costed before contract award.

6 Price formation and a transparent cost model

No defensible delivered price exists until there is a site-specific design and credible pricing. Earlier discussions used roughly \$315,400 and prices below \$350,000 as feasibility questions. The former was an older Ontario

affordability benchmark, not a CK-145 quote. Ontario's current bulletin took effect July 1, 2026. Statutory eligibility must use the applicable current thresholds and required agreement, separately from the program's own attainable-price objective. [15]

Price must be calculated as complete project cost plus the agreed builder return, less lawful permanent support that actually reduces what the purchaser pays. Refundable tax credits, deferred payments and repayable advances are different items. The municipality must publish both the buyer price and the full economic cost, including the appraised value of public land.

Illustrative scenarios in thousands of dollars per home

The following is an analytical example, not a quantity-surveyor estimate, local builder bid or target price. All cases assume the same \$25,000 land value per home to isolate other cost differences. Totals are before purchaser sales-tax treatment and closing costs; irrecoverable tax must be added to an actual pro forma. Shared infrastructure is allocated once.

Cost category	Efficient	Central	Difficult
Building construction	180	205	235
On-site civil works and connections	20	25	35
Allocated off-site infrastructure	15	25	45
Design approvals legal and administration	15	18	22
Finance and carrying costs	10	15	23
Contingency	15	20	25
Builder return	25	32	40
Land economic value	25	25	25
Full economic cost	305	365	450
Illustrative permanent land support	25	25	25
Illustrative capital grant if awarded	20	20	20
Indicative price before tax and closing	260	320	405

The grant row is hypothetical. With no \$20,000 grant, the corresponding prices rise to \$280,000, \$340,000 and \$425,000. If Council also requires full land-value recovery, they return to \$305,000, \$365,000 and \$450,000. The example shows precisely which assumptions make the headline price attainable.

At the central assumptions, 40 homes have a full economic cost of \$14.60 million; 145 have a cost of \$52.925 million. Permanent land support of \$25,000 for every home represents \$3.625 million of public value. A further

\$20,000 per-home grant totals \$2.90 million. These are arithmetic illustrations of the model, not a municipal funding request or evidence of an available grant.

For a real project, construction tenders and civil estimates should identify exclusions, escalation, taxes, fees, professional costs, financing draw dates and contingencies. Finance should reconcile developer allowances against municipal works to prevent duplication. A contingency amount must have an explicit basis, with a larger allowance for uncertain ground and servicing conditions.

Builder return and price discipline

Earlier discussion proposed testing a 10–15% return ceiling. A percentage alone is ambiguous: margin on revenue and markup on cost are different calculations. For example, 15% markup on \$250,000 of costs produces \$287,500 revenue and a 13.0% revenue margin. A 15% revenue margin requires approximately \$294,118 revenue. The RFP must define the cost base, related-party charges, financing and risk allowance.

Use competitive fixed-price proposals with transparent allowances and a contractually defined buyer-price ceiling. Open-book verification should support agreed change orders and subsidy pass-through, rather than reward cost inflation. A lower return ceiling can discourage capable bidders; test it through market sounding, evaluate total price and delivery risk, and set an explicit fallback if competition is weak.

7 MIIF capital recovery and taxpayer exposure

MIIF should begin as a municipal capital fund with a published policy, consistent with the current campaign script. Its CK-145 role is approved municipal land preparation and public infrastructure. Direct preferential builder loans or guarantees require a lawful basis and should not be assumed. Purchaser mortgages and down-payment assistance belong with lenders and Housing Services.

Finance should maintain separate ledgers for recoverable project advances, permanent housing support, and retained public infrastructure. When lots close, the legally agreed serviced-lot receipts can repay the recoverable component. A forgiven land discount or capital grant never becomes revolving cash merely because homes were sold. A public road may provide lasting value while producing no direct repayment.

The transfer of municipally owned land into the program changes who controls an asset; it does not generate cash. Development charges are restricted funding, and project-related exemptions reduce receipts. New assessment may improve future revenues, but new residents also require municipal services. None of these should be treated as an unrestricted immediate MIIF dividend.

First phase liquidity

The illustrative central case allocates \$2.00 million to on-site and off-site infrastructure for 40 homes, before any predevelopment costs included elsewhere in the example. A previously discussed \$2-million seed contribution could be consumed by that civil scope alone. It cannot be assumed sufficient for land purchase, administration, demolition, bridges between grants and receipts, or overruns.

Prepare a monthly cash-flow model from site control through final closing. Show peak municipal exposure, builder equity and construction debt, timing of purchaser payments, grant reimbursements, holdbacks, interest and the reserve needed for delay. Release later phases only as permitted by cash capacity. Recycling all receipts immediately could leave the municipality unable to correct defects or satisfy obligations.

Before borrowing, the Treasurer should test the municipality's applicable debt and repayment limits, existing commitments and interest sensitivity. A municipal corporation does not make risk disappear: guarantees,

shareholder support and future rescue expectations can still expose taxpayers. Prefer a clearly bounded first phase with independent risk review and Council-approved limits.

8 Federal funding and finance strategy

The most credible federal request is a complete project portfolio with a defined gap and measurable outcomes. Present the 145-home objective, the fully prepared first phase, municipal contributions, the protected buyer price and a lawful affordability model. Separate housing finance from pipes and roads. Do not apply a national envelope or an old cost-share percentage to the CK-145 budget without a specific program decision.

Funding routes as of September 30 2026

Route	CK 145 use and present limitation
Housing Accelerator Fund	Existing \$10-million CK award, not a fresh CK-145 grant. Seek eligible use of verified uncommitted funds within the signed action plan. Land and other commitments already draw on it. [5, 10]
Build Canada Homes	A credible project-finance prospect for an organizational affordable ownership model. Its framework supports such models and portfolios, while excluding individual homeownership applications. Written confirmation of the proposed tenure and affordability terms is essential. [16]
Build Communities Strong Fund Provincial and Territorial stream	Housing-enabling infrastructure via Ontario priorities and intake rules. Seek support for a real water, sewer, stormwater or road project; national funding is not a CK allocation. [17, 18]
Build Communities Strong Fund Direct Delivery	Potential regionally significant infrastructure route. Published applicant information acknowledges submissions; obtain current written intake guidance rather than assume a continuously open call. [19]
Build Communities Strong Fund Community stream	Successor branding for the Canada Community-Building Fund. Consider eligible infrastructure within CK's existing allocation, recognizing other capital commitments. It is not a new per-home grant. [17]
FedDev Ontario Local Impact Stream	Current intake paused; normal awards up to \$1 million. Track reopening for qualifying community infrastructure. The same project cannot also use the listed HICC Direct Delivery or Provincial and Territorial streams. [20, 21]
Canada Housing Infrastructure Fund	Direct Delivery intake closed. Examine status of any existing submission and Ontario-delivered opportunities. Unallocated direct funding was repurposed toward BCSF. [22, 23]
Canada Infrastructure Bank	Repayable infrastructure finance, with a published \$50-million minimum project investment net of grants. CK-145 alone is unlikely to fit; evaluate only as part of a genuine larger servicing portfolio. [24]

Build Canada Homes and the ownership choice

The BCH framework is relevant because it recognizes organizational affordable ownership models and municipal partnerships. It does not establish a blanket grant for ordinary homes sold by a private builder. CK should submit a project concept through the BCH portal, identify an accountable organizational proponent, and request written advice on the proposed price, financing, recovery and affordability duration before relying on funding. [16]

Our proposed five-year subsidy clawback may be insufficient for the affordability terms of a BCH-backed arrangement. If BCH requires a longer restriction, Council must decide whether a designated tranche should use an enduring affordable ownership model. Publish the restrictions, financing consequences and buyer benefits. Keep the base program financeable without BCH so a funding decision does not hold every phase hostage.

Programs that should not be counted as ownership grants

CMHC's Affordable Housing Fund portal is closed and funding committed. The Co-op Housing Development Program portal is closed to new submissions; it is a rental co-operative program in any event. Apartment Construction Loan Program financing is for qualifying rental construction. These may inform a separate rental strategy but should contribute no assumed financing to CK-145 ownership sales. [25, 26, 27]

FCM's federally supported Green Municipal Fund can be screened for an eligible municipal environmental or infrastructure component. Sustainable Affordable Housing should not be assumed to fund individual ownership homes: its published guide generally excludes affordable homeownership programs. Check the current project category and written guidance before budgeting. Do not reclassify private homes as municipal buildings merely to seek funding. [28]

The former First-Time Home Buyer Incentive has been discontinued. Likewise, a historical program, expired intake, prospective reform or announced manufacturer investment is not an available CK-145 grant. Federal land can be investigated as a separate supply source, but no federal CK parcel or discounted transfer has been established here. [29]

Grant application discipline

Assign one funding lead within the delivery team. For each application record the applicant, intake status, eligible expenditures, match, stacking limit, environmental and consultation conditions, construction deadline and reimbursement schedule. Obtain approval before spending costs that a program excludes before authorization. Maintain one invoice register across funders; no expense or land contribution should be claimed twice.

The submission package should contain site control, a local needs case, preliminary designs, net new unit counts, target household incomes, affordability duration, civil estimates, approvals schedule, financing commitments, procurement approach, climate and accessibility evidence and a monthly cash-flow plan. Describe what happens with no grant, a partial award and a delayed reimbursement. The requested amount is the evidenced gap after realistic private and municipal contributions.

9 Ontario support and lawful municipal tools

Ontario's Municipal Housing Infrastructure Program includes housing-enabling water infrastructure support. Its current rules, project windows and relationship with federal partnership funding should be checked for the

selected civil scope. OCIF and other eligible capital allocations can be examined against CK's asset priorities, but reallocating them has an opportunity cost for maintenance elsewhere. [18, 30]

The newly published Non-Development Charge Municipalities Stream is specifically for municipalities without residential development charges under its eligibility test. CK should not assume it qualifies: municipal and water or wastewater charge arrangements must be checked. An attractive program name is not a substitute for applicant eligibility. [31]

Municipal Act section 106 generally prohibits direct or indirect assistance to commercial businesses. CK must identify the actual lawful power for any below-market land transfer, financing, fee support or guarantee. Competitive procurement does not itself cure unlawful assistance. A qualifying Community Improvement Plan or municipal housing agreement may provide a route, but counsel must confirm the scope and document its conditions before expenditure. [32, 33]

For a Land Bank corporation, assess Municipal Act section 203 and Ontario Regulation 599/06, including the business case, asset-transfer policy and consultation requirements. Begin inventory and feasibility through existing municipal administration while this process runs. The corporation is a possible implementation vehicle, not a prerequisite for learning whether the first housing site works. [34]

The 25 year affordability decision

Ontario's development-charge affordability exemption uses current price or rent thresholds and requires an agreement maintaining affordability for 25 years. A five-year recovery policy is a different instrument and should not be represented as satisfying that requirement. Only claim exemptions once legal review confirms the applicable statutory tests and enforceable agreement. [15]

The recommended baseline is owner occupancy and a declining five-year public-subsidy recovery mechanism, with exemptions and BCH financing excluded unless separately confirmed. A second, explicitly designated long-term affordability option can be costed for projects where exemptions or federal financing create sufficient savings. Council must compare buyer outcomes, enforceability, administration and public cost before choosing it.

A vacant-home tax and a tax on vacant development land are also different concepts. Any proposed 1–3% vacancy measure requires its own legal, administrative and revenue case; it is not secured CK-145 capital. Vacant-home tax revenue should remain zero in the base budget until authorized, implemented and realistically collectible. Acquisition options and development covenants can proceed independently. [35]

10 Buyer eligibility and down payment assistance

The intended buyer is generally a household capable of sustaining a mortgage and ownership costs but unable to access suitable new entry-level ownership because of price, down-payment constraints or a shortage of modest new supply. Eligibility alone is not evidence of affordability: every buyer must pass lender qualification and the household-affordability tests in Section 11.

CK-145 should be sold to households occupying the home as their principal residence, with no investor, corporate-buyer or short-term-rental allocation. Generally exclude households owning another residence, with carefully defined hardship and separation provisions if Council adopts them. Eligibility must be applied consistently and reviewed for applicable human rights and funding obligations.

Use a published connection to Chatham-Kent through residence, employment or a documented relocation, subject to legal review. Establish income and asset limits using current local evidence and the delivered

product, rather than importing a national tax definition. Where a funding program imposes narrower conditions, those prevail for its funded homes.

Require lender prequalification, a realistic closing budget and an explanation of ownership costs. Accept eligible applicants during a fixed window and select through an independently supervised lottery or transparent weighting system. Publish rules in advance, offer an appeal process and protect financial information. Public officials should have no discretion to move favoured applicants ahead of others.

Existing CK assistance is managed by Housing Services: 10% of purchase price up to \$25,000, as a 20-year interest-free loan registered on title. The current page sets a \$403,000 purchase ceiling and a \$98,600 gross household-income limit, along with local renting and residence criteria. Funding availability and the complete repayment terms require confirmation. These rules do not automatically define eligibility for all CK-145 buyers. [36]

The previously discussed St. Thomas-style assistance is an option to examine, not a settled commitment. First test the existing CK program against eligible buyers and available funds. Any supplemental CK-145 assistance should be a separately budgeted Housing Services program, with its own loan agreement, lender consent and recovery rules. MIIF should remain focused on public enabling infrastructure.

At \$25,000 each, assisting all 40 first-phase households requires \$1 million of additional capital; assisting all 145 requires \$3.625 million. Even an interest-free repayable loan ties up cash for years. It must not be treated as money that rapidly returns to service the next block. Assistance may reduce the first mortgage but does not fix an excessive total cost of ownership.

Federal buyer measures

Eligible buyers can use an FHSA, subject to their contribution room and withdrawal rules; the standard annual limit is \$8,000 and lifetime contribution limit \$40,000. The Home Buyers' Plan permits qualifying RRSP withdrawals up to \$60,000 and entails repayment obligations. These use the buyer's savings, not a grant to municipal construction. [37, 38]

The federal first-time home buyers' GST/HST rebate is now available, subject to purchase, construction, occupancy and first-time-buyer conditions. Ontario has also announced expanded provincial relief, including temporary measures tied to agreement dates. Obtain transaction-specific confirmation of enacted rules and administration before quoting a rebate-adjusted sale price; CK-145's later phases may close outside a temporary window. Show gross tax, each valid rebate and the net purchaser price separately. [39, 40]

11 Household affordability test

A household can qualify for a mortgage while still finding ownership financially stressful. CK-145 should therefore disclose both lender qualification and a broader household budget. Include mortgage insurance, property taxes, heat, water, electricity, insurance, maintenance and any condominium or ground-lease costs, plus closing cash. A smaller house is attainable only if those costs fit the intended buyers.

Illustrative buyer scenarios

Assumptions: all-in home price after applicable sales-tax treatment, 5% traditional down payment, 4% insurance premium added to the mortgage, 25-year amortization, 5% contract rate and 7% qualification rate. Payments use Canadian semi-annual compounding. Taxes and heat are assumed at \$450 monthly for GDS; the broader budget allowance is \$650 monthly. These are modelling assumptions, not current rate offers or CK tax quotations. [41, 42]

Home price	Down payment	Payment at 5%	Income at 7% GDS	Income at 30% budget
\$300,000	\$15,000	\$1,724 per month	\$77,700	\$95,000
\$350,000	\$17,500	\$2,011 per month	\$88,400	\$106,400
\$400,000	\$20,000	\$2,299 per month	\$99,000	\$117,900

GDS uses 39% of gross income and includes the qualifying mortgage payment plus the \$450 allowance; other debts are excluded from these income figures. TDS, lender credit standards, insurer rules and closing costs can raise the requirement. The 30% column uses the actual mortgage payment plus \$650 and is a program affordability illustration, not a statutory ownership definition. [42]

The table demonstrates why a \$350,000 home is not affordable to every moderate-income household. Down-payment help, lower price, lower recurring cost or a different tenure can change the result. Buyers should receive the calculation for the specific home rather than a general assurance that CK-145 is affordable. Ontario sales tax on the insurance premium, legal fees and any land-transfer tax after valid refunds require separate cash planning. [41]

12 Protecting buyers and recovering public support

Recommended baseline: secure the identifiable public subsidy through a registered agreement or second mortgage acceptable to the first lender, with recovery declining over five years. For illustration, \$50,000 support reduced linearly would leave \$30,000 repayable after two years. Counsel and funders must determine the actual structure, start date, triggering events and treatment of default. It is not a five-year ban on moving.

Create published exceptions for death, relationship breakdown, disability, employment relocation and other defined hardship. Exceptions can defer or adjust recovery, but should be documented and reviewed independently. Deal expressly with refinancing, foreclosure, estate transfers, unauthorized renting and losses on resale. Recovery cannot be assumed if the first mortgage consumes sale proceeds.

An ordinary restrictive covenant may not be sufficient to enforce every positive obligation against subsequent buyers. Before making promises, obtain advice on registered security, resale agreements, statutory housing arrangements and lender priority. Disclose restrictions to buyers before reservations or deposits. Separate CK-145 subsidy recovery from the existing Homeownership Program loan and from any 25-year affordability agreement.

The objective of the baseline is to prevent a quick private windfall from public support while allowing the household to build equity. After the recovery period, this model does not preserve a permanently discounted home. A long-term affordable option requires a different resale formula, steward and enforcement budget; its public benefits and buyer limitations should be stated plainly.

13 Procurement and construction accountability

Conduct market sounding first with builders and civil contractors capable of delivering the proposed product. Ask for complete cost drivers, minimum efficient volumes, financing, title preferences, achievable schedules and exclusions. Do not negotiate exclusive rights before the site or program structure is tested.

Tender three potential 40-home packages and one 25-home tranche, awarding in stages. An RFP can disclose a prospective pipeline without guaranteeing all later work. Keep the ability to compete subsequent phases if price or performance deteriorates. Allow consortium bids and equivalent compliant designs so a volume package does not unnecessarily exclude capable smaller firms.

The builder-development agreement should specify serviced-lot cost, maximum buyer price, delivery milestones, financing proof, deposit handling, performance security, inspections, warranty, change-order authority and subsidy pass-through. Identify exactly which party bears ground risk, utility delays and inflation. Do not transfer a risk the municipality has failed to investigate and then expect bidders to price it cheaply.

Where land is transferred before completion, use legally effective development deadlines, security and remedies for non-performance. Reacquisition rights must account for lender interests and work already completed. Require conflict-of-interest disclosures, related-party cost disclosure and an independent evaluator. Apply procurement trade obligations and program-specific Canadian-content rules without inventing an unlawful local-only preference.

At each stage, an independent certifier should confirm work and quantities before payment. Publish approved changes and revised forecasts. Keep a sufficient contingency and deficiency reserve. If bids exceed the attainable ceiling, redesign or retender and compare alternative sites; a price target should not be rescued by silently increasing taxpayer support.

14 Implementation timetable and delivery gates

Within the first 90 days, organize the delivery team and prepare procurement. Launch a builder expression of interest and procure professional services where appropriate. Release a binding construction RFP only when the site has sufficient design, approvals and risk information. Submit a complete first-phase business case within 120 days. This preserves the 90-day launch objective without presenting it as a construction-start promise.

Period	Deliverable and decision
Days 1 to 30	Name a delivery lead; approve bounded feasibility funds; assemble parcel and commitment register; define buyer and pricing objectives; request funding guidance.
Days 31 to 60	Shortlist sites; commission environmental, civil and geotechnical work; consult neighbours; test lender terms and builder interest; complete governance review.
Days 61 to 90	Publish initial screening results; launch appropriate EOI and consultant procurement; propose MIIF policy and first-phase shortlist to Council.
By day 120	Submit site-specific business case, full subsidy and cash-flow plan, procurement strategy and no-grant alternative. Council approves, revises or rejects phase one.
Following 6 to 18 months	Complete approvals, servicing and construction procurement as conditions allow. Construction starts depend on these tasks and financing.
Indicative years 2 to 4	Complete first homes and later tranches subject to actual performance, resources and demand. The 145-home timetable is a planning range, not a guaranteed completion date.

Five approval gates

- Gate 1 Site control: title and public-service commitments resolved, plausible housing yield and no fatal environmental or climate constraint.
- Gate 2 Business case: civil estimate, buyer affordability, full economic cost and alternative comparison support the proposed use.
- Gate 3 Funding and legal structure: signed funding or an approved no-grant case, lawful assistance, lender-compatible agreements and exposure ceiling.
- Gate 4 Construction award: competitive acceptable price, financing, permits and securities; credible schedule and sufficient qualified demand.
- Gate 5 Expansion: actual first-phase costs and delivery performance, reconciled recoveries, sound buyer outcomes and capital available for the next tranche.

For the first award, Council should set a minimum number of lender-qualified conditional reservations based on the builder's financing requirement and sales absorption analysis. Monitor the program monthly. If a gate fails, pause that site, record the reason and advance a stronger alternative where available. One unsuitable parcel must not freeze the whole portfolio.

15 Pressure tests and required responses

Challenge	Required test or response
Servicing overrun	Increase civil cost by 30%; show who funds it and whether the price ceiling survives. Reassess the site if support exceeds Council's limit.
Construction inflation	Increase building cost by 10%; in the illustrative central case that adds \$20,500 per home before related costs. Price escalation must be explicit.
Grant declined	Remove every unapproved grant. Proceed only under an authorized no-grant financing case or change the project.
Sales delay	Model 6- and 12-month slower closings, finance costs, carrying costs and the municipal cash shortfall. Confirm builder capacity.
Buyer qualification failure	Re-test at two percentage points above assumed contract rate and with household debts. Check whether enough intended buyers remain eligible.
Builder insolvency	Review securities, step-in rights, construction lender coordination, deposits and completion cost; avoid relying only on damages claims.
Land discount captured privately	Verify price ceiling and buyer selection; audit related-party transactions and each dollar of subsidy pass-through.
Affordability expires	Explain baseline five-year recovery openly; use a different agreement for statutory or funder-required longer affordability.
Rental housing crowded out	Compare land and funding use with rental needs; protect existing committed projects and track displaced opportunities.

Challenge	Required test or response
Insufficient competition	Widen bidder eligibility, reconsider package size and design, or retender; no automatic award at an uneconomic price.
No genuine cost advantage	Compare with existing resale homes and assistance alone. Reject expansion if CK-145 adds expense without proportionate housing benefit.

Run combined downside cases as well as one-variable tests. A grant delay, slow sales and a civil overrun can occur together. For example, \$5 million drawn for a full additional year at 6% adds \$300,000 before further carrying costs. The program should disclose the maximum cash required in that case, not only its expected eventual surplus.

16 Governance reporting and measures of success

Council approves the policy, capital envelopes, subsidy limits and phase awards. The CAO coordinates the delivery team; the Treasurer owns affordability of municipal exposure and cash flow; Legal confirms authority and agreements; Planning and Engineering assess sites and approvals; Housing Services administers buyers and assistance. The Land Bank manages control and readiness under its adopted mandate. Appoint one accountable program lead so gaps between departments have an owner.

Publish a quarterly dashboard of sites assessed, approval status, homes under contract, starts, occupancy and closings. Report forecast and actual buyer prices, total economic cost, permanent subsidy per home, recoverable capital, unrecovered balances, infrastructure committed and peak municipal cash exposure. Explain changes from the approved case and keep buyer-identifying information private.

Track the share of sales to eligible owner occupants, mortgage qualification, energy and maintenance costs, accessibility delivery, defects and subsidy recovery. Report how many buyers previously rented locally, without claiming that every sale creates a new rental vacancy. Measure net new supply and verify whether homes meet a statutory affordability definition before counting them against affordable targets.

Use independent financial review at first-phase completion and a Council decision before expansion. Publish comparative results against assistance-only and private-infill options. The measure of success is occupied homes at a defensible cost to buyers and taxpayers; acres acquired, grant applications and renderings are intermediate activities.

17 Conditions to resolve before a construction commitment

Before the first construction commitment, Council needs a named site, confirmed ownership and zoning, engineering estimates, completed environmental and ground investigations, lender-approved title and subsidy terms, qualified buyer demand and an authorized cash-flow plan. Feasibility work can begin now; only due diligence, professional estimates and procurement can establish those construction inputs.

The delivery team must also reconcile HAF money already committed, any remaining affordable housing allocations, current public-use decisions at Lacroix and other sites, and the status of existing grant applications. Obtain written BCH advice on the chosen ownership form and direct confirmation of current BCSF and Ontario intake routes. Historic Minnie costs should be replaced with an updated scoped estimate.

The most useful immediate action is to select two or three genuinely competitive first-phase candidates and complete the same diligence on each. That gives Council an actual choice, protects the program from dependence on one constrained parcel and turns the Land Bank from an acquisition concept into a delivery function.

18 Proposed Council direction

That Administration be directed to prepare a CK-145 attainable homeownership implementation program for 145 homes, delivered in stages of 40, 40, 40 and 25. The first-phase report must include a ranked and costed land shortlist, options for municipal land control, lawful MIIF infrastructure support, buyer eligibility and public-subsidy recovery, competitive private-builder procurement, federal and provincial funding eligibility, and a full financial and risk assessment. No construction award, below-market asset disposition or project financing commitment may occur until Council approves the site-specific business case and applicable agreements.

That Administration report initial findings within 90 days and submit the first-phase business case within 120 days, identifying required resources and any dependencies that prevent completion within that window. Each subsequent phase requires Council approval based on actual delivery results, demonstrated demand and available capital.

19 What CK 145 changes

- Prepare land before announcing projects. Cost servicing and major constraints, then apply the readiness gates before committing homes or a delivery schedule.
- Use public investment to unlock private construction. Municipal land preparation, infrastructure coordination and approvals must create a cost advantage that qualified builders pass through to buyers.
- Protect public subsidies from speculation. Use enforceable buyer rules and the proposed five-year subsidy recovery mechanism, with hardship provisions and any longer affordability terms required by law or funders.
- Stage expansion based on actual results. Deliver 40, 40, 40 and 25 homes through separate decisions supported by costs, buyer outcomes and available capital.
- Measure success by occupied attainable homes. Report the price buyers pay, full public cost and ownership outcomes; announcements and acres acquired are intermediate activities.

Source register

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