



Staff Report to Council - for Direction

Title: Bruce County Affordable Housing Tax Increment Equivalent Fund (TIEF)

From: Claire Dodds, Commissioner of Community Development

Date: May 15, 2025

Report Number: CDO-2025-011

Staff Recommendation:

That the Bruce County Affordable Housing Tax Increment Equivalent Fund Program be approved.

Report Summary:

This report outlines the Affordable Housing Tax Increment Equivalent Fund (TIEF) that can enable the County's participation in funding affordable housing units in municipalities that have a TIEF program in their local Community Improvement Plan (CIP).

An Affordable Housing TIEF program is a tool that Bruce County can use to support the creation of affordable housing units by leveraging future increases in County property tax revenue. The program has been designed to match local municipal TIEF programs through grants that help offset the costs of developing affordable residential units.

Background/Analysis:

At the April 3, 2025 Council meeting, County Council provided direction for staff to develop a program for the County's participation in Tax Increment Equivalent Funding (TIEF) specifically to support affordable housing for consideration by Council.

The County does not have the ability to have its own Community Improvement Plan, so it relies on section 28 (7.2) of the *Planning Act*, and section 6.17.4 of the Bruce County Official Plan that states the County may make grants or loans to one or more local municipalities for the purpose of carrying out a Community Improvement Plan.

Staff have prepared a County Affordable Housing TIEF program to support the creation of affordable housing by leveraging future increases in County property tax revenue. The program has been designed to match local municipal TIEF programs through grants that help offset the costs of developing affordable residential units.

Where a lower-tier municipality has established a TIEF program that supports the development of affordable residential units through a Community Improvement Plan, Bruce County will:

- Provide matching TIEF grants to the local municipality **for eligible affordable housing units**, based on the incremental increase in the County portion of property taxes after development.
- Ensure support aligns with units that meet the County’s affordability definitions (Appendix 1 of the attached program guidelines) and density within the Official Plan.
- Contribute funding based on the assessed increase in property value, as determined by MPAC, after project completion.

The grants and parameters of Bruce County’s Affordable Housing TIEF Program will match a local municipal TIEF program, unless the local program exceeds the following parameters:

Parameter	Details
Annual Grant Per Unit	\$400/year/unit
Maximum Term	10 years
Total Maximum	Capped at the County portion of increased property taxes due to reassessment
Payment Method	Paid annually to the local municipality once County taxes are fully paid by the applicant and the reassessment is complete
Assessment Threshold	Assessment must increase by at least 25% (or threshold as per local program)

The proposed program requires units be maintained as affordable for at least 10 years.

As County participation requires grant funds to be provided to the municipality, any agreements through the Affordable Housing TIEF program will be between local municipalities and the County. Through a separate agreement, the municipality can then provide grant funds to the developer of the affordable housing units.

Staff propose a monitoring program over the next two years to determine and report to Council the utilization of the Affordable Housing TIEF program, and identify any adjustments required to the program.

Brockton Request for County support of WT Lands LP Development

On March 20, 2025, the Municipality of Brockton sent Bruce County Council a letter requesting Bruce County consider entering into a TIEF agreement with WT Lands LP, to support the construction of two 63-unit apartment buildings in the Eastridge Business Park.

Once County Council formally approves the Affordable Housing TIEF program, staff can work directly with Brockton staff to prepare a TIEF agreement between the County and Brockton to support the proposed affordable units (7) within WT Lands LP's development. County staff would bring the agreement forward to County Council for authorization to enter into the agreement with the Municipality of Brockton. The proposed agreement would mirror the terms and conditions of the agreement Brockton has made with the developer (5 years, reducing percentage) for the affordable units proposed.

Financial/Staffing/Legal/IT Considerations:

The Affordable Housing TIEF program will be coordinated through the Community Development Office, and the Housing Concierge service. Additional administration will be required in the Office of the CAO, Corporate Services and Economic Development.

The TIEF program supports the creation of affordable housing units by leveraging future increases in County property tax revenue.

This program of work can be undertaken with existing staff, within existing budget.

Interdepartmental Consultation:

Corporate Services, Economic Development and the Office of the CAO were consulted in the preparation of the proposed Affordable Housing TIEF program.

Consultation was undertaken with the Ministry of Municipal Affairs and Housing (MMAH). MMAH supports the County developing a program to inform any TIEF agreements that provide funding to a local municipality.

Link to Strategic Goals and Objectives:

Community and Partnerships - Build a strong and inclusive community

Community and Partnerships - Enhance and grow partnerships

Link to Departmental Plan Goals and Objectives, if any:

The development of an Affordable Housing TIEF program aligns with the goal of the [Housing Action Plan 2024-26](#), focused on taking action to create conditions to increase the supply and impact affordability of housing.

The development of an Affordable Housing TIEF program advances the following actions:

- Consider funding options for affordable housing initiatives
- Identify ways to support private and non-profit affordable housing builds
- Grow non-profit housing supply

Report Author/Departmental Approval:

Claire Dodds, Commissioner of Community Development

Approved for Submission:

Sean Morphy, Deputy Chief Administrative Officer

Attachments:

Attachment 1: Draft - Bruce County Affordable Housing Tax Increment Equivalent (TIEF) Program