

Bruce County Affordable Housing Tax Increment Equivalent Funding (TIEF) Program

Purpose

The Bruce County Affordable Housing TIEF Program is designed to support the creation of affordable housing by leveraging future increases in County property tax revenue. The program matches local municipal TIEF programs through grants that help offset the costs of developing affordable residential units.

Authority

Under **Section 28(7.2)** of the *Planning Act* and **Section 6.17.4** of the *Bruce County Official Plan*, Bruce County Council is authorized to provide grants or loans to local municipalities for the purpose of implementing local Community Improvement Plans (CIPs).

Bruce County does **not** have authority to enact a County-wide CIP; however, the County can financially participate in local CIP programs through this enabling framework.

Program Summary

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 affordability definitions (outlined in Appendix 1) and density goals within the County Official Plan and applicable local Official Plan.
- Contribute funding based on the assessed increase in property value, as determined by MPAC, after project completion.

Grant Maximums

The grants and parameters of Bruce County's 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)

Eligibility Requirements

Applicant Eligibility

- Must have a successful application to a local municipal TIEF program under an approved Community Improvement Plan.
- Must enter into a formal agreement with the local municipality confirming their participation.

Project Eligibility

- Must be a multi-residential development of 4 or more units.
- A minimum of 10% of units (and at least 4 units total) must meet Bruce County's definition of affordable housing (rental or ownership).
- Units must remain affordable for a minimum of 10 years (rent or ownership, as applicable).
- Must comply with the density requirements of the Bruce County Official Plan.
- Property must have no tax arrears at the time of application and throughout the term of the grant.

Affordable Housing Definition

- Units must meet the County's current definition of affordable rent or ownership (as outlined in Appendix 1), based on income and market benchmarks outlined in County policy.

Program Conditions

- Grants will be paid only after:
 - The project is completed,
 - MPAC has reassessed the property,
 - The applicant has paid full annual taxes to both County and municipality,
 - The County portion of tax increase is calculated.
- The grant cannot exceed the total redevelopment cost or the incremental County tax increase.
- Bruce County will rely solely on MPAC's reassessment to determine grant values and may set a pre-determined maximum total grant during agreement negotiation.

Timeline and Intake

- Ongoing intake: Applications accepted year-round.

- Applications will be reviewed and approved subject to the County's annual budget allocation for the program.
- Once the annual maximum is reached, no further approval will be made until the following budget year.

Application Process

1. Step 1: Apply to Local TIEF Program
 - Secure approval and agreement from the local municipality under its CIP.
2. Step 2: Submit County Application
 - Provide a copy of the approved local TIEF application and agreement.
 - Include site plan, affordability plan, MPAC assessment data (once available), and signed agreement.
3. Step 3: Evaluation and Agreement
 - Bruce County staff will evaluate applications and recommend grants for Council approval.
 - A formal agreement will outline terms, maximum values, and annual disbursement schedule.

Appendix 1 – Definition of Affordable Housing

Affordable ownership housing is: A purchase price which does not exceed 30% of gross annual household income; and is below the 6th decile (moderate and low incomes) for household income

Affordable rental housing is the least expensive of: A rent which does not exceed 30% of gross annual household income and for moderate and low (below the 6th decile) household incomes; or rent is at or below the average market rent for Bruce County.

Bruce County receives data from the province on an annual basis that is used to determine affordability based on the above definitions. Contact the Community Development Office at housingconcierge@brucecounty.on.ca to obtain current values for affordable housing in Bruce County.

Appendix 2 – County Application Form

(to be developed)