Guidelines for Tax Increment Equivalent Fund (TIEF) Applications

Please read the following before filling out this application.

How to Apply for the TIEF

There are two ways to apply for the TIEF:

1) **Submit via website**: Sections 1 through 6 of the application form below can be completed online via the Municipality of Brockton's website. Supporting documentation including your cover letter and Property Owner Consent Form, if applicable (see page 5 below), can also be uploaded. Applying online is the preferred method, as it allows faster processing.

2) **Submit via email**: Complete the PDF form below and submit it and your supporting documentation via email to the Municipality of Brockton's Development & Legislative Coordinator aemke@brockton.ca

An application for a TIEF must be made at the time of the Building Permit application and will be reviewed for compliance with the eligibility criteria established, in consultation with the Chief Financial Officer and Manager of Building & Planning/CBO.

To accept an application as complete, applicants must submit or attest to the following:

- ✓ Complete and signed application form (not required if applying online)
- ✓ Owner's Authorization form, if applicable (included with application form, please upload with online application)
- ✓ Cover letter (see details on application form, please upload)
- ✓ Confirm that the approved Site Plan Agreement has been registered on title (including on application form or online application)
- ✓ Confirm that a Building Permit Application has been submitted (included on application form or online application)
- ✓ Confirm that an occupancy permit has not been issued (included on application form or online application)
- ✓ Agree to enter into a legal agreement with the Municipality of Brockton if you are approved for a TIEF (included in application form or online application)

About the TIEF program

The **Tax Increment Equivalent Fund (TIEF) program** is offered through the **Community Improvement Plan (CIP)**.

The purpose of the TIEF program is to incentivize the development of medium and high density purpose-built rental units by providing a yearly grant for a period of up to five (5) years. The TIEF uses the future property tax gains generated by a development to help finance the actual development through the provision of grants. The value of the grant provided is equal to the incremental increase in property assessment and municipal property tax resulting from the improvements.

The grant is provided to the owner (registered or assessed), tenant or assigned third party, after the taxes have been paid in full. **The grants will only be provided after the improvements to the property are complete and after the reassessment of the property by the Municipal Property Assessment Corporation (MPAC) has demonstrated an increase in the assessed value of the property**. The pre and post improvement assessment and tax values will be used to calculate the incremental increase in municipal property tax revenue and the total value of the grant. The total payment shall not exceed the cost of redevelopment. The annual grant will be equal to a percentage of the tax increment paid for the Municipality's portion on the property taxes, in decreasing percentages of the increment as follows:

Year 1 – 100% of tax increment (pro-rated)
Year 2 – 80% of tax increment
Year 3 – 60% of tax increment
Year 4 – 40% of tax increment
Year 5 – 20% of tax increment

Eligibility Criteria

To be eligible for a TIEF, applicants must meet the following criteria as set-out in section 3.2(C) of the CIP. The assessed property value must increase by at least 25% after the project is complete for the applicant to receive the TIEF. Applicants must enter into an agreement with the Municipality for the TIEF program before work has begun; such grants cannot be retroactive.
The CIP can be accessed on the Municipality's website at: www.brockton.ca/

Additional Requirements for TIEF Applicants

All applicants (non-profit and charitable organizations and market/for-profit developers) must meet the following requirements, in addition to those noted in section 3.2 (c) General Program Eligibility and Requirements:

- **Type of Housing Permitted:** Purpose-built multi-residential medium and high-density housing. Projects can be standalone residential development or mixed-use.

- **Housing tenure permitted:** Rental housing (where there is a landlord-tenant relationship, and tenants are recognized by the Residential Tenancies Act).

- **Affordability:** While there is no requirement for inclusion of affordable units, it is encouraged.

- **Development Status:** Projects must have received Site Plan Control approval. An application for the TIEF must be submitted at the time a Building Permit application is made. Applications for the TIEF can be accepted after Building Permit issuance but must be received prior to the issuance of an Occupancy

Permit by Building Services.

- **Non-profit and Charitable Organizations:** This program is available to both nonprofit and charitable organizations, and market/for-profit housing developers, or partnerships between them.

- **Density**: Proposed development must meet or exceed the Walkerton's Official Plan density requirements.

Application Review and Approval

Once an application has been received, the applicant will be notified if any information is missing, or to confirm the application is complete and being circulated for review. Applications will be reviewed by Finance, Legal Services, and Building & Planning Department to verify the information provided and confirm eligibility for the TIEF per the CIP criteria.

We aim to review and confirm TIEF eligibility within three weeks of receipt of a completed application. Once staff have confirmed eligibility you will be notified in writing of your successful application, and then Legal Services will work with you to finalize and register the necessary legal agreement(s). Agreements may identify the required construction timelines to ensure that projects receiving a TIEF are committed to moving forward with their projects expeditiously.

Should you have questions regarding the TIEF application process or eligibility requirements, please contact the Municipality of Brockton's Development & Legislative Coordinator at (519) 881-2223 Ext. 142, or via email at aemke@brockton.ca

Brockton
Come home to community

OFFICE USE ONLY
DATE:
FILE NO.

TAX INCREMENT EQUIVALENT FUND (TIEF) APPLICATIONS

1. APPLICANT INFORMATION

Registered Owner _____ Tel. No. _____

Address _____ Postal Code _____

Email Address _____

☐ Owner's Authorization Letter (please complete the attached Property Owner Consent Form if the applicant is not the owner).

Name of Applicant (if different from the owner) _____ Tel. No.

Address _____ Postal Code _____

Email Address _____

Is the owner/applicant a non- profit charitable organization? ☐ Yes ☐ No

Are you partnering with a non-profit organization (please include an explanation of your organization or any partnerships in your cover letter) ☐ Yes ☐ No

Name of Agent, Solicitor or Consultant (if different from the applicant)

_____ Tel. No. _____

Address _____ Postal Code _____

Email Address _____

2. PROJECT INFORMATION

Municipal Address (es) _____

_____

_____

_____

Legal Description (Lot/Conces s ion /Registered Plan Numbers) _____

_____

_____

PIN (s) (Property Identification Number) _____

_____

_____

Assessment Role Number (s) _____

_____

_____

Lot Area (hectares)_____

_____

Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands.

- Is the Property affected by the Regulation limits of the Conservation Authority?

  ☐ SVCA ☐ No

Projects eligible for the TIEF include purpose-built, multi-residential medium and high-density housing. Projects can be standalone residential development or mixed-use.

☐ I confirm that the project will be operated as a purpose-built rental building where there is a landlord-tenant relationship, and tenants are recognized by the Residential Tenancies Act.

Total number of residential units (Please include details regarding the proposed unit types in your cover letter)

_____

Total number of affordable housing units proposed (Affordable housing means units rented at the rates identified in the most recent Development Services Housing Bulletin.) Please include further details about any proposed affordable housing in your cover letter.

_____

Proposed gross floor area (GFA) (Please include details regarding the proposed uses of any non-residential spaces in your cover letter)

Residential	m2
Commercial	m2
Industrial	m2
Institutional	m2

Projects must have received Site Plan Control approval. An application for the TIEF must be submitted at the time a building permit application is made. Applications for the TIEF can be accepted after building permit issuance but must be received prior to the issuance of an occupancy permit by Building Services.

- Site Plan Agreement (SPA)

  Application/File Number: _____

  Date SPA is registered on title: _____

  Instrument Number: _____

  Building Permit

  Application number(s): _____

  Submission date: _____

  Estimated project value: $_____

  Anticipated construction and occupancy timelines:

  _____

  ☐ I confirm that I have not been granted any occupancy permits for this project yet.

3. FINANCIALS

Please list all other funding sources/grants you have obtained or applied for (please include any details/explanations regarding funding sources in your cover letter).

☐ I acknowledge that the total combined funding from all grant sources/government funding (e.g. Canada Mortgage and Housing Corporation (CMHC) funding, Municipality of Brockton CIP funding, etc.) cannot exceed eligible costs.

To be eligible for a TIEF, the property under consideration shall not be in a position of property tax arrears or shall have a payment schedule acceptable to the Chief Financial Officer at the time of application.

☐ I confirm that the subject property taxes are in good standing.

4. AGREEMENT REQUIREMENTS

If awarded a TIEF, an agreement between the Municipality and the owner (registered or assessed owners of lands/buildings) will be required, which will set out the terms, duration, and default provisions of the incentive(s) to be provided; this will be registered on title of the subject lands. The Municipality may discontinue or rescind any financial incentive where there is not compliance with an executed agreement.

☐ I acknowledge and agree to enter into a legal agreement with the Municipality regarding the terms of any awarded TIEF and agree to cover any costs associated with registering the agreement on title.

If awarded a TIEF, the grants will only be provided after the improvements to the property are complete and after the reassessment of the property by the Municipal Property Assessment Corporation (MPAC) has demonstrated an increase in the assessed value of the property. It is the responsibility of the Owner to contact the

Municipality following the issuance of a Property Assessment Change Notice from MPAC following development/redevelopment.

☐ I acknowledge and agree that I will provide the Municipality following the issuance of a Property Assessment Change Notice from MPAC.

5. COVER LETTER

A cover letter that includes an overview of the proposed project and the project team (construction team and rental operation/management team) must be included with this application. Please ensure that your cover letter also includes the following information, as applicable (as noted above in this application form):

- An explanation of your company/organization (for-profit, non-profit or charitable) and any partnerships with any other companies/organizations.
- Details regarding the proposed residential unit type (GFA/size, number of bedrooms, accessible units, etc.) breakdown
- Details regarding proposed rental rates, including how many units, if any, will be affordable housing units rented at the affordable rates identified in the most recent Development Services Housing Bulletin.
- Details regarding the proposed uses of any non-residential spaces, such as commercial, institutional and community spaces.
- Details/explanations regarding other funding sources/grants you have obtained or applied for, including amount, timing and who awarded it

☐ I confirm that I have included a cover letter with my application that addresses all of the above

6. CONSENT OF THE OWNER TO THE USE AND DISCLOSURE OF PERSONAL INFORMATION

I _____ am the owner of the land that is the subject of this Community Improvement Plan (CIP) Tax Increment Equivalent Fund (TIEF) application and for the purpose of the Freedom of Information and Protection of Privacy Act, I authorize and consent to the use by or the disclosure to any person or public body of any personal information that is collected under the authority of the Planning Act for the purposes of processing this application.

☐ I hereby apply for a Tax Increment Equivalent Fund (TIEF) under the Municipality of Brockton Housing Community Improvement Plan. I/We agree to abide by the conditions of the grant program.

☐ I hereby certify that the information given herein is true, correct, and complete in every respect and may be verified by the Municipality of Brockton.

Signature of Registered Owner(s)/Applicants Date of Application

Signature of Registered Owner(s)/Applicants Date of Application

Municipality of Brockton
100 Scott Street, P.O. Box 68,
Walkerton, Ontario,
N0G 2V0
(519) 881-2223

Owner Authorization - Planning Applications
(Property Owner Consent Form)

I,

First Name / Last Name

☐ Property Owner ☐ Delegated Official with Signing Authority

(Select one)

Company Name (if applicable)

of,

Street Address | Unit # | City or Town | Province | Postal Code

Telephone No. | Email

hereby give permission to:

Applicant - First Name / Last Name

Company Name (if applicable)

Authorized Agent - First Name / Last Name

Company Name (if applicable)

to act as my authorized agent to apply for an application(s) for:

Street Address | Unit # | City or Town | Province | Postal Code

If there are any changes in the above information and/or I wish to withdraw this authorization, I must notify the Municipality of Brockton in writing.

Owner Signature (I have the authority to bind the corporation, where applicable)	Date