

Requirements for CIP Incentive Program

Program 4: Affordable Housing Tax Increment Equivalent Rebate

Property Eligibility

Your property is eligible to receive a Tax Increment Equivalent Rebate (TIER) if you are developing new multi-unit residential buildings or mixed use (commercial at grade) buildings. The new building shall have at least six (6) new affordable units. This program shields a property owner from the municipal portion of tax increases that occur as a result of the development if they provide affordable rental units, as follows:

Criteria to Meet

In the event that the creation of new affordable rental units results in an increase of the property's assessed value, a property owner may apply for the rebate as described below in the municipal portion of property tax payments as a result of a reassessment for a period of 10 years, where they meet the criteria outlined below:

Non-Profit Organization:

Receive a rebate of 80% of the municipal portion of tax increase if all units in the new development are affordable

Or

100% of the municipal portion of tax increase if all units in the new development are affordable and are universally accessible as per the Accessibility for Ontarians with Disabilities Act.

Other Developer:

Receive a rebate of 50% calculated based on the portion of units (out of the total) that are affordable¹ of the municipal portion of tax increase of the affordable units

Or

Receive a rebate of 70% calculated based on the portion of units (out of the total) that are affordable², of the municipal portion of tax increase if all the new affordable units are universally accessible as per the Accessibility for Ontarians with Disabilities Act.

If you are an applicant to CIP Program 4 (Affordable Housing Tax Increment Equivalent Rebate):

Criteria for Program 4:

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| <input type="checkbox"/> The property is located in the eligible area (see Section 3.0) AND |
| <input type="checkbox"/> Application is received in writing at the time of making an application(s) for a Planning approval AND |
| <input type="checkbox"/> The applicant shall provide the Town with a copy of the reassessment of the property by MPAC (at the time of receipt), photographs of the building/units showing the |

¹ For example, if 6 units of a 10-unit new building will be affordable, then 60% of the municipal portion of tax increase of the affordable units is eligible for 50% rebate. In this instance, if the annual amount of the municipal tax increase is \$100,000 then the annual rebate would be \$30,000.

² For example, if 6 units of a 10-unit new building will be affordable and accessible as indicated above, then 60% of the municipal portion of tax increase of the affordable units is eligible for 70% rebate. If in this instance, if the annual amount of the municipal tax increase is \$100,000 then the annual rebate would be \$42,000.

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If you are an applicant to CIP Program 4 (Affordable Housing Tax Increment Equivalent Rebate):

Criteria for Program 4:

completed project, and other relevant drawings or documentation in support of the completed project, or as required by the Town, in order to receive the rebate AND

- The applicant shall not file a property tax appeal while receiving the rebate under this program AND
- Units created shall be affordable rental units (see Section 4.3).

Additional Considerations

The property owner pays the property tax in full, which is then rebated in accordance with this financial incentive program, if the application is accepted.

The TIER financial incentive for a property is offered for a maximum of 10 years from the date of the re-assessment upon which the tax increment is calculated, as long as the units meet the criteria of affordable rental units.

For any mixed-use development, tax assistance is offered to the residential portion of the building only.

Notwithstanding any other policy in this CIP, an affordable housing project that is also a brownfield redevelopment is permitted to receive a stacked tax increment no greater than 100% of the municipal portion under Program 5 and Program 9.

The rebate is assignable by the owner of the property to another party (subsequent property owner, tenant or other assignment) at any time during the period of the agreement. Should the original property owner transfer its interest in the property, the rebate can, with the agreement of the municipality, continue to be assigned to the new property owner for the duration of the rebate period.