

**BY-LAW NO. 7379**

**BEING A BY-LAW of the City of Brandon to establish an Affordable Housing Incentive Program to provide Financial Assistance for housing projects that align with the City of Brandon's affordable housing priorities.**

**WHEREAS Section 261.2 (1) of The Municipal Act, R.S.M. 1996, c. M225 authorizes the Council of a municipality to establish financial assistance programs by by-law;**

**AND WHEREAS the Federal and Provincial governments are primarily responsible for providing funding to support the creation of affordable housing;**

**AND WHEREAS the Council of The City of Brandon recognizes the importance of the City assuming a supporting role to upper levels of government in the creation of Affordable Housing;**

**AND WHEREAS the Council of The City of Brandon has deemed it necessary and expedient to pass a by-law for the purpose of establishing the terms and conditions for a financial assistance program that would encourage the construction of such affordable housing units;**

**NOW THEREFORE the Council of The City of Brandon, duly assembled, enacts as follows:**

**1. DEFINITIONS**

- (a) "AFFORDABLE HOUSING" means housing at any level of the housing continuum rented or sold at less than market rates and eligible for financial support under Federal or Provincial housing strategies.**
- (b) "AFFORDABLE HOUSING RESERVE" means a fund established under sub-section 168(1) of The Municipal Act (Manitoba) in which the Municipality sets aside funds for use at a future time, relating specifically to affordable housing.**
- (c) "BASE YEAR" means the year prior to the year in which the property is reassessed as a result of development under the Affordable Housing Incentive Program.**
- (d) "CITY" means the City of Brandon.**
- (e) "CMHC" means Canada Mortgage and Housing Corporation.**
- (f) "DEVELOPMENT" this term has the same meaning as set out in The Planning Act.**
- (g) "DIRECTOR" means the Director of the Planning and Buildings Department or any of their delegates.**
- (h) "DWELLING UNIT" means one (1) or more rooms in a building designed as a single housekeeping unit, with cooking, eating, living, sleeping, and sanitary facilities.**
- (i) "ELIGIBLE UNIT" means:**
  - (i) a residential rental dwelling unit renting for up to median market rent (established annually by the CMHC) or at rates determined by a Provincial (MHRC) or Federal (CMHC) affordable housing program; or**
  - (ii) a co-operative dwelling unit meeting affordability rates as established by the CMHC co-op housing development program; or**
  - (iii) an owner-occupied dwelling unit that sells for a mortgage geared to income program run by a non-profit organization or Indigenous government or at a price determined by a Provincial (MHRC) or Federal (CMHC) affordable housing program.**

- (j) **“FINANCIAL INCENTIVE”** means a capital grant, development charges grant, municipal tax offsetting grant, or any combination thereof.
- (k) **“INCREMENTAL TAXES”** means the municipal real property taxes payable in relation to an approved property for any year after an occupancy permit is issued for the approved affordable housing development less the amount of the property’s base taxes.
- (l) **“MHRC”** means Manitoba Housing and Renewal Corporation.
- (m) **“MUNICIPAL TAXES”** means the property taxes imposed for municipal purposes by the City.
- (n) **“PROPERTY OWNER”** means a person or organization who is the registered owner under The Real Property Act of land on which a building is located, or the grant thereof of a valid conveyance registered under The Registry Act, or an agent of either such owner.
- (o) **“TRANSITIONAL HOUSING”** means a supportive and temporary or intermediate type of accommodation that is intended to bridge a gap to permanent or independent housing, in a setting that is more long term, service intensive and private than Emergency Shelters.

## **2. ELIGIBLE APPLICANTS**

To be eligible to apply for financial incentives, the applicant must be the property owner(s) and demonstrate a track record of successfully developing and operating housing developments.

## **3. ELIGIBLE PROJECTS**

To be eligible to apply for financial incentives, the applicant’s project must meet the following criteria:

- (a) Property must be located within the City of Brandon boundaries, and must be free of any orders, outstanding taxes, utility charges, or other amounts owing to the municipality must be paid.
- (b) The Development of affordable housing includes new building construction or the conversion of non-residential to residential as permitted in the Zoning By-law.
- (c) The proposed project must receive financial incentive, land use, and permitting approvals prior to development proceeding.
- (d) The proposed project must not have received incentives or funding through the Downtown Market Housing Incentive By-law No. 7380;
- (e) For multiple-dwelling housing projects:
  - i. The proposed project must include three (3) or more Eligible Affordable Dwelling Units, with a minimum 50% of total dwelling units meeting affordability criteria as set-forth in this by-law; and
  - ii. The proposed project must have a primary residential use of greater than 70% of total building gross floor area;
- (f) Eligible affordable rental or cooperative units must remain affordable for a minimum duration of 20 years, and rented to occupant(s) that shall not have annual household incomes in excess of the Affordable Housing Rental Program Income Limits established by Manitoba Housing or the terms set forth in funding programs utilized by the property owner and offered by higher levels of government.

**4. FINANCIAL INCENTIVES**

- (a) In addition to the incentives contained in this by-law, the City may offer land for affordable housing projects with eligible units (rental, cooperative, or owner occupied) for below market value in accordance with the City of Brandon Land Transaction Policy.
- (b) An applicant for an eligible project may make a request to the Director for incentives that are not set-forth in this by-law or that exceed the incentives set out in this by-law. Eligibility for these financial incentive requests will be reviewed on a case by case basis and subject to City Council's review and approval.
- (c) The total allocation of development charges off-setting grants and capital grants shall be limited by the availability of funds in the Affordable Housing Reserve or such additional amounts approved by City Council.
- (d) The City reserves, at its discretion, the right to approve or deny any application.

**5. DEVELOPMENT CHARGES OFFSETTING GRANT**

- (a) The Development charge offsetting grant may be paid to a non-profit provider, a private corporation, or an Indigenous government of an approved property.
- (b) The Development charge offsetting grant is one-time incentive calculated as 100% of development charges due at the time of issuance of a building permit for an Eligible rental, cooperative or owner occupied unit.
- (c) Priority for development charges offsetting grants will be given to a non-profit provider or an Indigenous government.

**6. CAPITAL GRANT**

- (a) A capital grant of \$20,000 per Eligible rental unit may be paid to a non-profit provider or Indigenous government of an approved project.
- (b) Applicants for a capital grant must receive financial support by another level of government, and continuing qualification for that financial support, with preference given to those projects approved by the CMHC under a National Housing Strategy and/or the Provincial MHRC program for affordable housing. The intent is that the municipal grant provided is minor compared to contributions from higher levels of government.
- (c) Priority for capital grants will be given to affordable housing projects that operate as permanent supportive housing or Transitional Housing for priority populations as defined by the CMHC, including people experiencing or at risk of homelessness.

**7. TAX CREDIT INCENTIVE**

- (a) The tax credit incentive may be available to a non-profit provider, a private corporation, or an Indigenous government of an approved property.
- (b) The total of the tax offsetting grant is equal to 50% of the incremental municipal taxes paid in respect to the property for 20 years for an approved project including Eligible rental or cooperative units.
- (c) The tax credit shall apply to an increase in the total assessed value of a property from the Base Year resulting from the development of an eligible project.
- (d) The tax offsetting grant does not include special taxes, local improvement levies, or other such charges or fees properly imposed by the City on municipal

property taxes.

8. APPLICATION

- (a) The Director shall prepare and adopt an administrative procedure to provide direction on how to administer the by-law, such as application submission requirements and the review and approval processes.
- (b) Applicants approved for affordable housing incentives under this by-law shall enter into a funding agreement with the City.
- (c) The application must be made in the form and manner in accordance with an adopted administrated procedure or, in the absence of such a procedure, as authorized by the Director.

9. SEVERABILITY, REPEAL, ENACTMENT, AND REVIEW

- (a) Projects will be eligible for the financial incentives prescribed herein provided the project has commenced prior to the repeal of this by-law.
- (b) The incentives in this by-law shall be reviewed every five (5) years.
- (c) If any provision of this by-law is declared invalid for any reason by a court of competent jurisdiction, the remaining provisions of this By-law shall not be invalidated.
- (d) Affordable Housing Financial Assistance Program By-law No. 7294 is hereby repealed.
- (e) This by-law shall come into full force and take effect on the day following its passage.

DONE AND PASSED by the Council of The City of Brandon duly assembled this 19<sup>th</sup> day of August, A.D. 2024.

“J. Fawcett”  
MAYOR

“R. Sigurdson”  
CITY CLERK

Read a first time this	29 <sup>th</sup>	day of	July	A.D. 2024
Read a second time this	19 <sup>th</sup>	day of	August	A.D. 2024
Read a third time this	19 <sup>th</sup>	day of	August	A.D. 2024

I, Renee Sigurdson, Clerk of the City of Brandon, DO HEREBY CERTIFY the above within to be a true and correct copy of By-law No.7379.

*Original Signed by*  
*R. Sigurdson*  
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**R. Sigurdson, City Clerk**

