

Report to Council

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| Report Title: | Tax Incremental Equivalent Funding (TIEF) | | |
| Prepared By: | Trish Serratore, Chief Financial Officer | | |
| Department: | Finance | | |
| Date: | February 11, 2025 | | |
| Report Number: | FIN2025-04 | File Number: | C11FIN |
| Attachments: | Letter to Council | | |

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number FIN2025-04 – Request for Tax Incremental Equivalent Funding (TIEF), prepared by Trish Serratore, Chief Financial Officer for information purposes.

Report:

Background:

Staff received the attached letter from Read Shantz of WT Lands LP requesting Tax Increment Equivalent Funding (TIEF) under the Community Improvement Plan (CIP) to support the construction of two 63-unit apartment buildings in the Eastridge Business Park.

The TIEF program is designed to encourage the development and redevelopment of eligible properties by providing financial assistance equal to all or a portion of the property tax increase resulting from new property improvements. Currently, Brockton does not have established guidelines or criteria for implementing TIEF. As this is the first request under this initiative, staff are bringing it forward for Council's information and will be working on developing program guidelines and a draft formal agreement.

Analysis:

The request from WT Lands represents a new funding mechanism under the CIP, requiring the creation of clear guidelines and eligibility criteria. The TIEF program aims to encourage private-sector investment by offsetting a portion of the municipal tax increase generated by new developments. Given the scale of this project, implementing such a program could support Brockton's housing growth objectives while fostering economic development.

To move this initiative forward, staff will:

- **Develop Program Guidelines:** Establish formal criteria within the existing Community Improvement Plan framework to ensure legislative compliance, consistency, transparency, and alignment with Brockton’s strategic priorities.
- **Assess Financial Implications:** Conduct an analysis to determine the projected municipal tax increment and evaluate the financial impact of providing funding under this program.
- **Draft an Agreement:** Prepare a formal agreement outlining the terms, conditions, and performance benchmarks for Council’s future consideration.

The financial impact of the TIEF program will be determined once program guidelines are finalized and the tax increment projections are assessed. Staff will ensure that any proposed funding remains fiscally responsible while supporting Brockton’s broader economic and housing objectives.

Staff will continue to develop program guidelines and a formal agreement and consult with the applicant, which will be brought forward for further Council consideration.

Strategic Action Plan Checklist:

What aspect of the Brockton Strategic Action Plan does the content/recommendations in this report help advance?

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| • Recommendations help move the Municipality closer to its Vision | Yes |
| • Recommendations contribute to achieving Heritage, Culture, and Community | N/A |
| • Recommendations contribute to achieving Quality of Life | Yes |
| • Recommendations contribute to achieving Land Use Planning and the Natural Environment | Yes |
| • Recommendations contribute to achieving Economic Development | Yes |
| • Recommendations contribute to achieving Municipal Governance | Yes |

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

The Tax Increment Equivalent Funding (TIEF) program will provide financial assistance to support the new development while encouraging private-sector investment and economic growth. The financial impact will be assessed based on the projected municipal tax increment, ensuring that the program remains fiscally responsible and sustainable within Brockton’s long-term financial planning framework.

Respectfully Submitted by:



Trish Serratore, Chief Financial Officer

Reviewed By:



Sonya Watson, Chief Administrative Officer