

Committee of the Whole (2) Report

DATE: Tuesday, June 6, 2023 **WARD(S):** ALL

TITLE: CANADA MORTGAGE AND HOUSING CORPORATION -
HOUSING ACCELERATOR FUND

FROM:

Haiqing Xu, Deputy City Manager, Planning and Growth Management

ACTION: DECISION

Purpose

To provide an overview of the Canada Mortgage and Housing Corporation ('CMHC') – Housing Accelerator Fund ('HAF'), a new funding program available to municipalities intended to increase the supply of housing across Canada. Staff are seeking Council endorsement of the proposed Action Plan for submission to the CMHC.

Report Highlights

- The Canada Mortgage and Housing Corporation ('CMHC') has introduced a new funding program, the Housing Accelerator Fund ('HAF'), which is intended to increase the supply of housing on a national basis.
- HAF funding is application-based and available to municipalities with land use and development approval authority.
- City Staff have prepared a HAF application, which identifies several initiatives oriented toward increasing the supply of housing units produced in the City.

Recommendation

1. THAT Council endorse the Action Plan in support of the City's application to the Housing Accelerator Fund.

Background

Included in the 2022 Federal Budget, the HAF is a CMHC program intended to increase the number of housing units produced across Canada. Based on an allocated \$4 billion budget, the goal of the HAF program is to produce an additional 100,000 housing units over the duration of the program, which expires in 2026/2027. The introduction of the HAF is aligned with other funding and legislative changes implemented by the provincial government oriented toward addressing similar concerns related to housing supply and growth.

Funding for the HAF program is application-based and available to eligible municipalities that hold land use and development approval authority, including a specific Large/Urban applicant stream, commencing in the summer of 2023. The funding is intended to assist candidate municipalities in developing initiatives that may increase the housing supply within their jurisdictions. Suggested areas of initiatives include a range of programs and procedural changes, with a focus on improvements to the development review process. Once secured, restrictions are placed on the use of the funds to ensure alignment with proposed initiatives as well as the necessary infrastructure to support housing development.

HAF applications include several required components. A Housing Needs Assessment Report serves to provide an overview of the local housing market in terms of the existing housing stock and identification of any gaps in the availability of certain housing types in relation to local demographics. The core of the HAF application is an Action Plan, which is required to include several components, including a comprehensive list of potential initiatives which may assist in increasing the local housing supply. The Action Plan must demonstrate how the identified initiatives will increase the housing supply, including growth targets tied to a 10% unit increase threshold.

Previous Reports/Authority

[Municipal Housing Target and Municipal Housing Pledge, More Homes Built Faster Act, February 14, 2023](#)

[Streamline Development Approval Fund, April 12, 2022](#)

[Bill 109, More Homes for Everyone Act, April 12, 2022](#)

[Amendments to the City of Vaughan Site Plan Control By-Law 123-2103 to Address Changes Made to the Planning Act by Bill 109, More Homes for Everyone Act, 2022, June 21, 2022.](#)

[Performance Excellence and Accountability, November 22, 2022](#)

[Bill 23, More Homes Build Faster Act, 2022, November 23, 2022](#)

Analysis and Options

City-led housing supply initiatives are currently underway

The emergence of housing supply as a pressing issue facing municipalities has become a focal point for senior levels of government. In response to legislation changes and funding made available by the provincial government, the City has recently undertaken a range of initiatives to address this issue. Utilizing \$1 million in funding made available

through the Streamline Development Approvals Fund ('SDAF'), the City has conducted a review of the development application process in consultation with KPMG LLP. The study identified several areas of improvement and proposed initiatives intended to accelerate the approval of development applications.

On Wednesday, February 22, 2023, in response to a request from the Minister of Municipal Affairs and Housing, Vaughan Council endorsed a Municipal Housing Pledge, which commits the City to facilitate the development of 42,000 new housing units by 2031.

City Staff are preparing a HAF Application for submission to CMHC

In preparation for submission to CMHC, the City has engaged SHS Consulting to develop the core components of a HAF application. Currently working as part of the consulting team undertaking the Official Plan Review, SHS consulting has built upon analysis completed for this Study to prepare a Housing Needs Assessment and worked with City Staff to identify proposed initiatives for inclusion in the Action Plan. While Staff continue to refine the Action Plan in advance of the HAF submission deadline, there are several broader categories that HAF initiatives fall under, which can be summarized.

Building upon the initiatives and actions identified in the Development Transformation Support - Interim Report completed by KPMG LLP, the HAF Action Plan includes a category of proposed initiatives that concern process improvements to the development review process. These initiatives include E-permitting systems, enhanced public development application guidelines and streamlining of different development application types. Process improvements in this area are intended to facilitate residential development approvals in order to increase housing supply.

Land Use and Built-Form permissions is a second major category that several proposed initiatives fall under. Many of the City's Intensification Areas are designated for additional residential development in the Vaughan Official Plan 2010, however, there is an opportunity to ensure alignment between these permissions and the City's new Zoning By-law 001-2021. At a smaller scale, recent changes to provincial legislation concerning accessory dwelling units will require the City to revise its existing secondary suites program to ensure legislative conformity. Additional funding through the HAF program will support studies that enable the City to build on this existing policy framework and facilitate the development of additional residential units.

Staff are seeking Council endorsement of the proposed Action Plan.

Financial Impact

A successful HAF application will provide the City with additional funding from CMHC to offset the allocated City budget to undertake the initiatives identified in the Action Plan. There are no negative financial impacts.

Broader Regional Impacts/Considerations

The City continues to work with York Region to address matters related to infrastructure

and servicing that are essential to support residential growth. As the designated service manager, York Region staff have assisted in consultation and provision of growth-related data in preparation of the HAF application.

Conclusion

The HAF grant program represents an opportunity for the City to refine the policies and procedures that manage development in an effort to increase the supply of housing consistent with the Housing Pledge.

For more information, please contact Christina Bruce, Director, Policy Planning and Special Programs, ext. 8231.

Attachments

None.

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Approved by



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