

Subject: **Housing Accelerator Fund Application Resubmission**

Staff Report No. **DS-049-24**

**Department/
Commission:** **Development Services Commission**

Date: **October 16, 2024**

Recommendation:

- 1) That Council approve the Town’s Housing Action Plan, which forms Attachment #1 to this report.
- 2) That Council direct staff to advise CMHC of Council approval of the Housing Action Plan as part of its application resubmission to Round Two of the Housing Accelerator Fund.

Report Highlights

- The Canada Mortgage and Housing Corporation (CMHC) is offering a second round of funding through the Housing Accelerator Fund grant program.
- Staff have revised the Housing Action Plan to align with the requirements of the HAF program.
- The Town’s resubmission application was submitted to CMHC on September 12, 2024.

1. Purpose:

The Canada Mortgage and Housing Corporation (CMHC) administers the Housing Accelerator Fund (HAF) program on behalf of the federal government. The Town did submit an application through the first round of funding in 2023 but was unsuccessful. Applicants from the first round of funding who were unsuccessful, were invited to re-apply to a second round of funding that opened up in July 2024. Town staff subsequently prepared a revised application and resubmitted it in conformity with the application requirements. Staff are seeking Council approval of the revised Housing Action Plan in support of the application.

2. Background:

In May 2023, the federal government announced funding to help municipalities accelerate the supply of housing at the municipal level. The Canada Mortgage and Housing Corporation (CMHC) administered the Housing Accelerator Fund (HAF) grant program. It provided approximately \$4 billion in funding to eligible applicants to incentivize the implementation of local actions that remove barriers to housing supply.

The primary objective of the HAF program is to create more housing supply at an accelerated pace, and to enhance the certainty in the approvals and building process. Other objectives include:

- a) Support the development of complete communities that are walkable, with a diverse mix of land uses and access to a variety of amenities and services;
- b) Support the development of affordable, inclusive, equitable and diverse communities; and,
- c) Support the development of low-carbon and climate-resilient communities.

Two application streams were considered through the process:

- Large/Urban: A jurisdiction located anywhere in Canada with a population equal to or greater than 10,000, excluding those within a territory or an Indigenous community.
- Small/Rural/Indigenous: A jurisdiction located anywhere in Canada with a population less than 10,000 or within one of the territories or and Indigenous community.

Planning staff prepared and submitted an application to the HAF program under the Large/Urban stream in advance of the August 18, 2023 deadline. Staff were subsequently advised in February, 2024 that the Town was not selected for funding. More than 500 applications were received which far exceeded the amount of funding available.

In early July, 2024 staff were advised that a second round of funding would be available in the amount of \$400 million to previous applicants of the HAF program. The portal closed for application resubmissions on September, 13, 2024. Staff worked over the summer months to prepare a revised submission, including an updated Housing Action Plan. Detailed criteria was provided to potential applicants to ensure compliance with the HAF program, which included a requirement to commit to pursuing four units as of right for residential properties.

As part of the second round of funding, applications are also required to align with the 10 Housing Accelerator Fund best practices:

1. End exclusionary zoning
2. Make municipally owned lands available for housing
3. Increase process efficiency
4. Prioritized/enhanced development approval process
5. Comprehensive review of development charges and fee schedules
6. Reduce or eliminate parking standards
7. Eliminate restrictions

8. Develop affordable housing community improvement plans
9. Design and implement guidelines
10. Develop grant programs

The initiatives outlined in the Town's revised Housing Action Plan have integrated the ten best practices, where applicable.

3. Analysis:

The revised Housing Action Plan, which forms Attachment #1 to this report, outlines the 7 key initiatives to align with program eligibility requirements. Below is a brief outline of the initiatives that have been included in the revised Housing Action Plan.

3.1 Housing Action Plan Initiatives

1. Medium and High Density Parking Study

The Town will undertake a study to determine parking requirements for medium and high-density development applications. This study will review and update the Town's parking policies and regulations to determine appropriate parking reductions for these types of applications, including minimum parking rate requirements, and where eligible developments should be located to receive a reduction in parking.

2. Affordable Housing Community Improvement Plan

The Town will prepare an Affordable Housing Community Improvement Plan (CIP) to help incentivize the rapid deployment of market and affordable housing supply in the Town. The Affordable Housing CIP will create and implement both financial and non-financial grants/incentives to create a range of housing types including affordable housing.

3. Expanding Missing Middle Housing Study

The Town will initiate a study to determine how to fit house-scale buildings in a variety of forms of multiplexes and low-rise apartments into existing residential neighbourhoods. This study aims to support missing middle housing, increase density, and address supply gaps, along with encouraging walkability to local amenities and public transit options. This study will address and build upon Council's resolution to permit four residential units as-of-right.

4. Inclusionary Zoning Study

The Town will undertake an Inclusionary Zoning (IZ) study and an implementing Zoning By-law Amendment to increase the supply of affordable housing within the Town's Major Transit Station Areas (MTSAs), including the Stouffville GO and Old Elm GO MTSAs. This study will establish the minimum percentage of affordable housing units that future developments should provide within the Town's MTSAs.

5. Growth Management Reporting and Tracking Software Tool

The Town recently launched CityView, an e-permitting and application portal for the submission and processing of planning and building permit applications online. This was an important first step in modernizing and optimizing the application process. The Town is anticipated to experience increased growth pressures, requiring a more robust and automated data collection, assessment and reporting method. Investing and making improvements to the Town’s data collection and reporting methods will support the development of ‘real-time’ insights while increasing focus on efficiency, strategic outcomes and informed decision making. This initiative will support software to assist in tracking, monitoring and reporting relevant development application data both internally and externally.

6. Expedited Site Plan Approval Process

The Town will develop a new streamlined process to fast-track site plan approval applications while meeting Section 41 requirements of the *Planning Act*. The process will focus on removing duplication and redundancies in current site plan application approval processes and improve the circulation, review and processing of all development applications. An enhanced site plan approval process will be created for projects that specifically include affordable and purpose-built rental housing units. This may include deferring certain engineering reviews and requirements to the building permit stage, as opposed to site plan approvals, thereby eliminating duplication.

7. Servicing Allocation Study and By-law

The Town will undertake a Servicing Allocation Study and implementing municipal by-law to review existing servicing capacity allocation (e.g. water and sewer infrastructure) policies and regulations. This study will determine appropriate development timelines for developers/builders to maintain service allocation approval from the Town. This will also include a revoking servicing allocation policy and By-law for developments that are not proceeding in a timely manner, after receiving planning approvals.

3.2 Housing Supply Growth Rate

The application requires that municipalities identify the total number of units expected to be built with and without HAF funding. Below is a summary of the Town’s expected units and growth rate.

Current number of Dwellings	
Total number of housing units projected to be permitted without HAF funding (3 years)	1,090
Total number of housing units projected to be permitted with HAF funding (3 years)	1,435
Housing Supply Growth Rate Increase (3 years)	2.59%
Housing Supply Growth Rate	31.65%

4. Options:

4.1 Option A (Recommended)

That Council approve the Town's Housing Action Plan in association with the Town's Housing Accelerator Fund application resubmission.

Should the Town be successful in its application resubmission, staff will report back to Council with further information.

5. Financial Implications:

At this time, there are no financial implications to resubmitting the Town's application to the HAF program.

Funding should be used primarily to implement the actions and initiatives outlined in the Housing Action Plan but can also be used towards investments in affordable housing; housing related infrastructure, such as water and wastewater infrastructure; and community related infrastructure that supports housing, such as roads, sidewalks, trails, fire stations, and recreational facilities.

Should the Town be successful in its application, the municipality will be required to enter into an agreement with CMHC to address items such as funding dispersal and reporting requirements.

The proposed initiatives for the Housing Action Plan have also been submitted as part of the proposed 2025 Capital Budget to ensure projects are being appropriately planned. Should the Town be successful in its application, relevant funds from the Capital Budget will not be required.

6. Alignment with Strategic Plan:

1. A Town that Grows
A Town that grows in support of complete communities
2. A Healthy and Greener Town
Increase Offerings and Opportunities for Active Living
3. Good Governance
Provide Good Governance

7. Attachments:

Attachment No. 1 – Town of Whitchurch-Stouffville Housing Action Plan

8. Related Reports:

October 4, 2023 – DS-045-23 Housing Accelerator Fund – Application and Action Plan

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For further information on this report, please contact the Department Head: Dwayne Tapp, Commissioner, Development Services at 905-640-1900 or 1-855-642-8697 ext. 2431 or via email at dwayne.tapp@townofws.ca