



## The Corporation of the Town of Tecumseh

Chief Administrative Officer

**To:** Mayor and Members of Council

**From:** Brian Hillman, Director Development Services

**Date to Council:** April 25, 2023

**Report Number:** DS-2023-09

**Subject:** Federal Housing Accelerator Fund Program  
Funding for a Planning Consultant to Assist in Preparation of a  
Housing Action Plan and Grant Application  
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### Recommendations

It is recommended:

**That** Report DS-2023-09 entitled “Federal Housing Accelerator Fund Program – Funding for a Planning Consultant to Assist in Preparation of a Housing Action Plan and Grant Application” **be received**;

**And that** the cost of \$30,000 for the hiring of a planning consultant to assist in the preparation of a Housing Action Plan and the submission of an application for funding to the Housing Accelerator Fund in June 2023, in accordance with the program requirements, **be authorized and funded** from the Tax Rate Stabilization Reserve.

### Background

On March 17, 2023, the Federal government launched the \$4 billion Housing Accelerator Fund (HAF), which will provide funding to local governments to fast-track the creation of new homes in Canada. The objective is to accelerate the supply of housing across Canada, resulting in at least 100,000 more housing units being constructed than would have occurred without the program.

In addition to creating more supply of housing at an accelerated pace, the program is also supporting the following priorities:

- the development of complete communities that are walkable, consisting of appropriate residential densities and a diverse mix of land uses, providing access to a wide variety of amenities and services through public and active transportation;
- the development of affordable, inclusive, equitable and diverse communities through the provision of housing across the entire housing spectrum;
- supporting the development of low-carbon and climate-resilient communities.

If funding to a municipality were approved, it can be used in the following four categories:

1. investments in any initiative included in the municipality's Housing Action Plan and approved by Canada Mortgage and Housing Corporation ("CMHC");
2. investments in affordable housing, including construction, repair or modernization of affordable housing and land or building acquisition for affordable housing;
3. investments in housing-related infrastructure that supports housing, including:
  - a. drinking water and wastewater infrastructure;
  - b. public transit; and
  - c. capacity building;
4. investments in community-related infrastructure that supports housing, including:
  - a. local roads and bridges;
  - b. sidewalks, lighting, bicycle lanes;
  - c. firehalls; and
  - d. landscaping and green space.

The preparation and submission of a Housing Action Plan is a mandatory requirement for a community to be eligible for funding under the HAF. The Housing Action Plan must include:

1. housing supply growth targets, which reflect the total number of permitted housing units projected with the support afforded by the HAF;
2. additional targets related to the type of housing projected, as well as affordable housing; and
3. a minimum of seven proposed initiatives that will help achieve the committed targets, speed up approvals and support the objectives of the program.

The framework for determining the amount of incentive funding includes base funding, top-up funding and an affordable housing bonus. The HAF is an application-based program that may open as soon as June 2023.

## Comments

### HAF Eligibility Requirements

To be eligible for HAF funding, the Town will need to:

1. present an application, including a housing action plan that outlines supply growth targets and specific initiatives to grow the housing supply and speed up housing approvals;
2. have a minimum of seven initiatives in the action plan;
3. commit to a housing supply growth target within the action plan that increases the average annual rate of growth by at least 10%;
4. complete or update a housing needs assessment report, which will require extrapolation of relevant data and findings from the recently completed Windsor-Essex housing needs assessment; and
5. agree to follow the program's reporting requirements.

### HAF Application Process

In order to apply for HAF funding, the Town will need to complete the following by June of 2023:

1. Assessment of the municipality's local context, including housing challenges, opportunities and projected rate of housing development;
2. Development of a Housing Action Plan that aligns with program requirements;

3. Obtain Council Approval of the action plan; and
4. Submission of all relevant material (noted above) to CMHC through the client portal intake.

### **HAF Approval Process**

Once submitted, CMHC will evaluate and prioritize applications. Municipalities will be notified of the status of their application in Summer/Fall 2023.

The application will be reviewed to determine if it meets the program requirements. The criteria used to assess the application are:

- the commitment to increase housing supply (exceeding minimum growth expectations);
- the relevance of proposed initiatives to the objectives of the HAF;
- the effectiveness of proposed initiatives in increasing the supply of housing; and
- a current housing needs assessment report (considered an asset).

Approved applicants will be notified (with confirmed funding amount and the contribution agreement for signature) by Summer/Fall 2023.

Municipalities with approved applications will receive the first scheduled funding advance shortly after the contribution agreement has been executed (anticipated for Fall 2023).

### **Preparation of Housing Action Plan**

Considering the amount of work to be undertaken in a very short period for the Town to be able to file a funding application, it is recommended that a planning consultant be hired to assist in the preparation of a Housing Action Plan and the submission of an application for funding to the HAF. With the anticipated opening of the grant portal in June, the Housing Action Plan needs to be completed expeditiously and approved by Council by late May.

The costs associated with the preparation of this document or in the preparation of a funding application by a consultant were not considered as part of the approved 2023 Budget (as the HAF was not announced until March of 2023). The allocation of support funding at this time will strategically position the Town to be able to make a complete application to access grant funding from the HAF.

It is therefore recommended that Council authorize funding of \$30,000 for the hiring of a planning consultant to assist in the preparation of a Housing Action Plan and the submission of an application for funding to the HAF in June 2023, in accordance with the HAF program requirements, and that the costs be funded from the Tax Rate Stabilization Reserve.

## **Consultations**

Financial Services

Public Works & Engineering Services

## **Financial Implications**

The estimated cost for a consultant to assist in the preparation of a Housing Action Plan and the submission of an application for funding to the HAF in June 2023, in accordance with the HAF program requirements, is \$30,000. It is recommended that this cost be funded from the Tax Rate Stabilization Reserve. This Reserve has a sufficient balance to support this recommendation.

## Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh’s current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh’s plans and priorities.
<input type="checkbox"/>	Steward the Town’s “continuous improvement” approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town’s leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Chad Jeffery, MA, MCIP, RPP  
Manager Planning Services & Local Economic Development

Reviewed by:

Tom Kitsos, CPA, CMA, BComm  
Director Financial Services & Chief Financial Officer

Reviewed by:

Brian Hillman, MA, MCIP, RPP  
Director Development Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
None	None