



The Corporation of the Town of Milton

Report To: Council

From: Jill Hogan, Commissioner, Development Services
Glen Cowan, Chief Financial Officer / Treasurer

Date: May 29, 2023

Report No: ES-008-23

Subject: Housing Accelerator Fund (HAF)

Recommendation:

1. THAT Council endorse the action plan and growth targets that will be included as part of the Town's HAF Application including the seven (7) specific initiatives that have been identified to grow housing supply and speed up housing approvals.
2. THAT the Commissioner of Development Services be authorized to submit an application for the HAF Program on behalf of the Town of Milton as outlined in this report, and that the Commissioner of Development Services in consultation with the Chief Financial Officer be authorized to make any further adjustments required in their sole discretion.
3. THAT the Mayor and Clerk be authorized to execute any agreements that are required in relation to this funding program.

EXECUTIVE SUMMARY

- The HAF Program offers the Town a funding opportunity that is associated with the acceleration of, and increase in, housing supply.
- Eligibility for the program requires the development of an action plan, completion of a housing needs assessment report and a commitment to achieving the growth targets.
- The seven initiatives that have been chosen by the Town are expected to result in growth in the community including in the forms of residential development that are prioritized by the HAF program (i.e. transit oriented, missing middle, etc.).
- Growth within Milton has been conservatively estimated for the HAF reporting period at an average annual increase of 5.03% in the number of units within the

EXECUTIVE SUMMARY

Town. They also represent an increase of 102% over the average annual unit growth that the Town has achieved in the last 5 years.

- Funding approved for the Town through the HAF program will be largely utilized for community infrastructure that supports residential growth, including investments in transit, the MTSA, HAF action plan items and other infrastructure investments.

REPORT

Background

The 2022 Federal Budget announced \$4 billion in funding until 2026/2027 to launch the Housing Accelerator Fund (HAF). The program will be administered by the Canadian Mortgage and Housing Corporation (CMHC). HAF is an application-based program with one application window in 2023. The program is intended to drive transformational change within the sphere of control of the local government regarding land use planning and development approvals. HAF's objective is to accelerate the supply of housing across Canada and support lasting changes that will improve housing supply for years to come.

To be eligible for HAF funding, the applicant must:

- Develop an action plan to support growth targets, grow housing supply and speed up housing approvals
- Commit to a growth target of at least 1.1% in new housing units per year as well as a 10% increase in the rate of average annual growth
- Complete a housing needs assessment report as well as the other reporting requirements of the HAF program

Notable points regarding the HAF program include:

- Available to local governments who have delegated authority over land use planning and development approvals
- Funding provided through HAF can be utilized for community related infrastructure that supports housing, HAF action plan investments, affordable housing and housing-related infrastructure
- Applications will be evaluated based on the commitment to increase housing supply, the relevance and effectiveness of the initiatives to the objectives of the HAF, as well as the presence of a current housing needs assessment report
- Funding will be allocated utilizing both a base rate (\$ per unit of HAF incented units), top up funding (\$ per unit of multi-unit housing incented by HAF) and through an affordable housing bonus for those units incented by HAF
- Once approved, funding will be provided through four annual payments
- Reporting during the program will include the progress towards growth targets, the progress on the initiatives as outlined in the action plan, and on the eligible utilization of the funding received

Background

Following the introduction of the HAF program in March 2023, Town and CMHC staff have engaged in regular discussion in relation to the program and CMHC has hosted several related webinars on HAF.

A copy of CMHC's application guide for the HAF program is attached as Schedule 1.

Discussion

Fundamental to the application are the seven primary initiatives that have been identified that are expected to both increase housing supply and accelerate the pace of housing approvals. Details of the initiatives that Milton will submit as its action plan is attached as Schedule 2. With consideration of HAF's evaluation framework, the Town has focused on highlighting those that can be initiated and completed on a timely basis, and that will have a high degree of impact and effectiveness with respect to housing. The seven primary initiatives are:

1. Implementation of the Milton Mobility Hub Strategy
2. Additional Residential Unit (ARU) Study
3. Residential and Non-Residential Land Needs Study
4. Development Services Public Portal
5. Delegation of Authority Enhancements
6. Official Plan Update
7. Transportation Mater Plan Update

Through the recommendations included in this report, Council is recognizing the importance of these initiatives and committing to delivering each for the purpose of creating a positive impact on housing within the Town.

Through this process the Town is also committed to establishing an updated Housing Needs Assessment report. The housing needs for Milton have been most recently assessed through the Town's Land Needs Assessment process that was undertaken by Malone Given Parsons Ltd. in 2021, as well as through the Region of Halton's [2021 State of Housing report](#) and [Comprehensive Housing Strategy](#). This work will be further updated through the Housing and Non-Residential Needs Analysis Study that was awarded to Watson & Associates Economists Ltd in May 2023. That project is expected to proceed in two key phases in 2023, as the findings of that process will also directly inform the Town's Official Plan update.

With respect to the housing growth anticipated within the reporting period for the HAF program, the following table summarizes the units that are anticipated by year for the purposes of the Town's application.



Discussion

Table 1 - New Unit Forecast for the HAF Reporting Period

	Sept. 2023 to Aug. 2024	Sept. 2024 to Aug. 2025	Sept. 2025 to Aug. 2026	Total
Single Detached Homes	250	560	380	1,190
Multi-unit Housing (close to transit)	540	750	580	1,870
Multi-unit Housing (missing middle)	370	520	580	1,470
Multi-unit housing (other)	710	760	920	2,390
Total	1,870	2,590	2,460	6,920

These forecasted amounts have been developed with consideration of specific developments within Milton that are at various stages of approval. The amounts have been reduced relative to the growth estimates utilized in the Town's planning processes (including the annual budget process) in consideration of the HAF reporting requirements and to err on the side of being conservative. The figures represent an average annual increase of 5.03% in the number of units within the Town. They also represent an increase of 102% over the average annual unit growth that the Town has achieved in the last 5 years. As such, should these amounts materialize as expected the Town would more than exceed the minimum growth targets required by the HAF program.

Should the Town's application to the HAF program be successful, the funding received is expected to be utilized in large part towards supporting community infrastructure that supports housing. Specific projects that may be contemplated include:

- key investments in the Town's transit system including the transit maintenance facility;
- projects that benefit areas such as the MTSA including Nipissing Road;
- investments that align with development in the Town's downtown core including those that support the Town's parking strategy;
- key strategic studies such as the Residential and Non-Residential Needs Analysis Study, Zoning By-law reviews, the transit master plan and growth related studies;
- investments in software solutions that accelerate or benefit growth within the community; and
- investments in infrastructure that achieve a complete and vibrant community as the Town's growth targets are achieved.



Financial Impact

The HAF program has the potential to provide a significant amount of funding to the Town in order to help support growth in housing and housing options within the community. Funding received would be applied towards the investments that will be made during the HAF reporting period, with priority applied to initiatives that support the medium and high density communities that lend themselves to promoting a range of housing options and housing affordability. Reporting to Council of the funding utilization would occur in accordance with the Town financial management policies, and to the CMHC through the reporting requirements of the HAF program.

Respectfully submitted,

Jill Hogan
Commissioner, Development Services

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact:	Jill Hogan, Commissioner, Development Services	Phone: Ext. 2304
	Glen Cowan, CFO/Treasurer	Ext. 2151

Attachments

1. Schedule 1 - HAF Pre-application Reference Material
2. Schedule 2 - Town of Milton Action Plan Initiatives for HAF Program

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.