



The Corporation of the Town of Milton

Report To: Council

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

Date: November 13, 2023

Report No: ES-011-23

Subject: Housing Accelerator Fund (HAF) - Update

- Recommendation:**
1. **THAT Council endorse the updated HAF Application, including the following five (5) additional initiatives as requested by the Federal Minister of Housing, Infrastructure and Communities, as outlined further in ES-011-23:**
 - a. **Permitting four units as-of-right city-wide;**
 - b. **Permitting four storeys as-of-right within 800 metres walking distance of Milton Transit lines;**
 - c. **Designate dedicated staff to implement an affordable housing strategy, which should involve liaising with non-market housing providers and other levels of government, guiding projects through the development and permitting process, and identifying lands for affordable nonmarket housing;**
 - d. **Delegate decision-making power for minor re-zonings, as well as approvals for affordable housing and modular housing, to City staff;**
 - e. **Create incentives to encourage the development of purpose-build rentals and non-market housing.**

 2. **THAT the implementation of any of the five additional initiatives noted above be contingent on further Council approvals as outlined in the Supplemental Information that the Town provided for the HAF program (Attached herein as Appendix C).**

3. THAT the Commissioner of Development Services be authorized to make any further adjustments required to the Town of Milton's HAF Application.

4. THAT the Mayor and Clerk be authorized to execute any agreements that are required in relation to the HAF 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.
- Town of Milton Council endorsed an application to the HAF program in May 2023 through report ES-008-23. The application included seven initiatives that were developed in consultation with the CMHC and based on the HAF application guide.
- In October 2023 the Town received a correspondence from the Federal Minister of Housing, Infrastructure and Communities requesting the addition of five additional initiatives in the Town's HAF application.
- Council endorsement of those initiatives is being sought at this time to further strengthen the Town's HAF application and lead to meaningful investment in the development of new housing opportunities within the community.
- As outlined in the supplemental information provided to the CMHC, each of the five additional initiatives are expected to require a Council approval in Q1 2024 after the related policy frameworks have been developed, public consultation has occurred, and/or the funding details and requirements from HAF to the Town have been further established.

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

Background

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.

At its May 29, 2023 meeting, Milton Council endorsed the Town's original application for the HAF program. The application included seven initiatives that were developed in consultation with the CMHC with specific consideration of the HAF application guide. Those initiatives were:

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

Further detail of the HAF program, as well as the Town's initial seven initiatives and growth targets, can be found in the report presented in May ([ES-008-23](#))

On October 10, 2023, the Town received a correspondence from the Federal Minister of Housing, Infrastructure and Communities in relation to the Town's application. The Minister outlined five requests that would improve Milton's application and better reflect the Minister's ambition for the HAF program. It was noted that if the Town could enhance the existing application by addressing these items, it would ensure that Milton leverages its full potential to develop housing. A copy of the full correspondence is attached as Appendix A.

Discussion

The five additional initiatives that have been requested by the Minister are:

1. Permitting four units as-of-right city-wide;
2. Permitting four storeys as-of-right within 800 metres walking distance of Milton Transit lines;
3. Designate dedicated staff to implement an affordable housing strategy, which should involve liaising with non-market housing providers and other levels of government, guiding projects through the development and permitting process, and identifying lands for affordable nonmarket housing;
4. Delegate decision-making power for minor re-zonings, as well as approvals for affordable housing and modular housing, to City staff;
5. Create incentives to encourage the development of purpose-build rentals and non-market housing.

Following receipt of the Minister's letter, and in consultation with staff, the Mayor provided a response to the Federal Minister that recognized the Town's collaboration to date with the

Discussion

CMHC for the HAF program and indicating the Town's willingness to consider the five new initiatives as part of the application process. The Mayor's correspondence also directed staff to assess the Council (or other) approvals that may be required in order to implement these initiatives and to develop the related action plans. A copy of the Mayor's correspondence is attached as Appendix B.

Subsequent to the Mayor's letter, and after further consultation with CMHC, supplemental data was submitted by the Town's Commissioner of Development Services. The supplemental information outlined proposed milestone dates, cost estimates and outcomes (units) of the newly requested initiatives, as well as refinement of previous submitted action items based on updated information. It was noted that for each of the 5 additional initiatives that a Council approval would be required after full program and policy details could be developed, with each expected in Q1 2024 (subject to the timing of any potential HAF announcement). A copy of the supplemental data submission is attached as Appendix C.

Should Council endorse the revised application as recommended in this report, the Town will notify the Federal Minister and CMHC staff. Delegated authority for the Commissioner of Development Services to make further adjustments to the Town's application is also recommended so that the Town can respond in a timely manner as the HAF program continues to evolve. Should the Town be successful in its application for the HAF program, additional Council approvals will be sought in relation to the initiatives as the programs are more fully defined.



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.

For the five new initiatives that are recommended to be endorsed, the two with the most direct financial implication to the Town are the financial incentive for rental and affordable housing program, as well as the dedicated staffing to support affordable housing. In each case, it is expected that any new cost would be funded from proceeds of the HAF program. As such, even though a draft potential framework for each was included in the Town's supplemental information submission, final details can only be confirmed following further feedback or approvals from the HAF program.

Respectfully submitted,

Jill Hogan
Commissioner, Development Services

Glen Cowan
Commissioner, Development Services

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

Attachments

Appendix A - Letter from the Minister of Housing, Infrastructure and Communities
Appendix B – Letter to the Minister of Housing, Infrastructure and Communities
Appendix C – Town of Milton Supplemental HAF Submission

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.