



Staff Report for Committee of the Whole Meeting

Date of Meeting: April 16, 2025

Report Number: SRCM.25.06

Department: Office of the City Manager
Division: Strategy and Transformation

Subject: **SRCM.25.06 - Housing Accelerator Fund First Annual Update**

Purpose:

The purpose of this report is to provide an overview of the City's progress with commitments made as part of the Housing Accelerator Fund (HAF) and an update on the first annual report.

Recommendation(s):

- a) That staff report SRCM.25.06, regarding the Housing Accelerator Fund First Annual Update, be received;
- b) That the resolution of Ontario Big City Mayors' Caucus made on February 7, 2025, attached as Appendix B to SRCM.25.06 be endorsed, calling on the federal Minister of Housing, Infrastructure and Communities to work with municipalities who received Housing Accelerator Funding (HAF) to understand the opportunities available for these municipalities to further increase the housing supply if the third and fourth HAF funding allocations were accelerated and provided in 2025 instead of 2026 and 2027.

Contact Person(s):

- Lise Conde, Manager, Strategy and Government Relations 416-458-7254
- Jackie Gu, Coordinator, Strategy and Government Relations 437-448-6943
- Anthony Iannucci, Director of Transformation & Strategic Planning 416-399-2687

Report Approval:

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

Page 2

Key Messages:

- The report provides a summary of the first annual update on the City's Housing Accelerator Fund (HAF) for the period of November 2023 to November 2024.
- All nine initiatives in the HAF Action Plan are either completed or on track to meet the dates outlined in the HAF Contribution Agreement.
- As of February 2025, the City has received \$15.5 million in the first two disbursements, representing 50% of the total \$31 million HAF funding. Of this total, the City has allocated approximately \$4.5 million to implement the HAF action plan, with the remainder to be used for incentive programs included in the Action Plan.
- The remaining third and fourth disbursements are contingent on potential government changes and the City's progress in meeting the housing targets outlined in the Agreement. Should the City receive these disbursements, the funds will be allocated to the incentive programs accordingly.
- Due to the current Federal political context, the City supports the call by Ontario Big City Mayors asking the Federal Government to accelerate the third and fourth payments to provide the City and other incentive program recipients with financial certainty in support of accelerating housing.

Background:

On March 17, 2023, the Government of Canada announced the [launch of the Housing Accelerator Fund \(HAF\)](#), a \$4 billion fund administered by Canada Mortgage and Housing Corporation (CMHC), to encourage local governments to fast-track the creation of 100,000 new homes across Canada. The primary objectives of HAF are to remove barriers to and accelerate the growth of the housing supply. It also supports the development of complete, low-carbon and climate-resilient communities that are affordable, inclusive, equitable and diverse.

On June 14, 2023, the City's final HAF application was submitted to CMHC. Subsequently, amendments were made to address feedback from CMHC's application review committee and the Office of the Minister of Housing, Infrastructure and Communities, which was provided to both staff and the Mayor.

On November 15, 2023, the City of Richmond Hill received official approval for its HAF application and entered into a contribution agreement (the "Agreement") with CMHC, outlining a list of initiatives and a scheduled plan of action to accelerate new residential unit development.

Relationship to other housing priorities

On November 24, 2021, Council endorsed the City of Richmond Hill's [Affordable Housing Strategy \(SRPI.21.089\)](#), a multi-phased and multi-pronged strategy for the City to work with the building and development sector to create affordable housing in Richmond Hill. This Strategy sets out a series of actions for the City to

Page 3

undertake to address identified housing gaps. HAF has both accelerated the implementation of select Affordable Housing Strategy action plan items and provided a funding source to incentivize affordable housing in Richmond Hill.

On March 21, 2023, Council endorsed the City of Richmond Hill's Municipal Housing Target Pledge to demonstrate its commitment to accelerate the provision of housing which supports the provincially designated target of 27,000 new housing units in Richmond Hill by 2031 ([SRPI.23.033](#)). Although this Provincial target is not directly related to or considered by the federal HAF program, there is an overlap, as many of the initiatives that support the Housing Pledge align with the objectives of the HAF.

Discussion:

Overview of the Program and Initiatives

The following nine initiatives make up Richmond Hill's HAF Action Plan. Each initiative is comprised of a series of milestones that set out key deliverables and associated timelines.

Note: For detailed progress updates on each initiative and milestone, please refer to Appendix A: Housing Accelerator Fund (HAF) First Annual Report – Initiative and Milestone Progress

Initiative #1: Official Plan Amendments and Implementing Zoning Bylaws for Three Centres

This initiative aims to expedite planning changes including Official Plan Amendments and Zoning Bylaw Amendments in three strategic key growth areas in the city. These amendments will help create a more sustainable and diverse housing mix while supporting the city's broader growth strategy.

Initiative #2: Community Improvement Plan (CIP) for Affordable Housing and Sustainable Design

A new Community Improvement Plan (CIP) will provide financial incentives to promote affordable housing and sustainable development. Through a feasibility study and stakeholder consultations, this initiative aims to establish effective programs that enhance the affordability and sustainability of new housing projects.

Initiative #3: Infrastructure Acceleration Incentive Program

A new incentive program will provide financial support to offset infrastructure costs to encourage developers to build essential services like water, sanitary, and stormwater infrastructure on an accelerated timeline. By linking incentives to timely building permit applications, it aims to reduce infrastructure barriers that often delay housing supply.

Initiative #4: Development Approval Process Improvements

Page 4

To enhance transparency and efficiency, this initiative aims to streamline Richmond Hill's development approval process. Recommendations from a comprehensive review will help simplify procedures, reduce approval times, and improve predictability.

Initiative #5: Richmond Hill Centre Secondary Plan

Through pre-zoning and streamlined approvals, this initiative will unlock high-density residential development near Richmond Hill Centre, a future transit-oriented hub. Pre-zoning efforts will define land use permissions, height and density limits, and public amenity requirements. Establishing a dedicated planning team will help accelerate approvals near future subway stations, maximizing housing supply in a key growth area.

Initiative #6: Neighbourhood Zoning Bylaw

To address the missing middle housing gap, the neighbourhood zoning bylaw will introduce as-of-right zoning that allows a range of needed middle housing forms in residential neighbourhoods. Parking requirements near transit will be considered, and development standards will be revised to encourage innovative housing solutions.

Initiative #7: Concierge Program for Affordable Housing

This program will provide a streamlined, single-point-of-contact service to guide affordable housing applications. This "one-window" approach will improve coordination and better share information internally and externally, expedite priority development applications, and provide support for non-profit and private sector developers working on affordable housing projects.

Initiative #8: Surplus and Underused Lands for Affordable Housing Program

By identifying surplus and underutilized City-owned lands that may be suitable for housing, this initiative aims to investigate opportunities for affordable housing development. A pilot project will inform a framework for partnering with non-profit housing providers to maximize land use.

Initiative #9: Increasing Housing Density Near Major Transit Stations and in Neighbourhoods

This initiative will increase housing supply by allowing four-storey buildings near major transit stations and permitting up to four units per residential lot. These changes will unlock more housing opportunities near transit and support higher-density development.

Page 5

Housing Targets

In addition to the Initiatives, the Action Plan also includes a list of housing targets the City has agreed to achieve through the approval of building permits:

- Housing Supply Growth Target of 4,820 permitted housing units.
- Additional Housing Targets:
 - 2,602 multi-unit¹ housing units in close proximity to rapid transit²
 - 1,094 missing middle³ housing units
 - 144 other multi-unit⁴ housing units
 - 4.85 percent of the Housing Supply Growth Target are affordable units

Reporting to CMHC

As part of the HAF Agreement, the City is required to submit the following reports from 2024 to 2028 to demonstrate the progress:

- an initial Attestation Letter, six months after signing the Agreement;
- an annual progress report each December from 2024 to 2027;
- a final report on the use of the fund in February 2028.

May 2024: The initial Attestation Letter, confirming our progress to that date as outlined in the Agreement was submitted in May 2024 and was approved by CMHC.

December 2024: The first annual report was submitted to CMHC. This comprehensive report included:

- An Attestation Letter, signed by the Director of Financial Services and Treasurer, confirming that all initiatives were progressing as per timelines in the Agreement.
- Progress reports for each of the nine initiatives and 34 milestones. Refer to Appendix A for more details on the status of each initiative and milestone.
 - The City was on track for all nine initiatives within the CMHC-approved timelines.
 - 18 milestones were completed, eight were in progress, and eight milestones had start dates planned in 2025-2026.
 - By February 28, 2025, 23 milestones have been completed, with three initiatives completed in their entirety.

¹ “multi-units” refers to any form of housing with more than one dwelling unit.

² “in close proximity to rapid transit” refers to within 1500 metres of rapid transit locations identified by the City.

³ “missing middle” refers to a range of multi-unit housing types between single-detached and mid-rise apartments, including semi-detached, additional dwelling units in single detached home, multiplexes, townhouses, and apartments four storeys or less

⁴ “other multi-units” refers to all multi-unit housing excluding missing middle and multi-unit housing in close proximity to rapid transit.

Page 6

- Some critical milestones received Council approval:
 - **Initiative #1, Milestone 2:** In November 2023, Council approved the Official Plan Amendments (OPA) for three strategic areas: [OPA 18.5](#) for the Yonge Street and Carrville/16th Avenue Key Development Area, [OPA 18.6](#) for the Village Local Centre, and [OPA 18.7](#) for the Newkirk Local Centre, to accelerate planning changes to enable residential development in three key growth areas.
 - **Initiative #2, Milestone 6:** In November 2024, Council approved the [Community Improvement Plan \(CIP\) for Affordable Housing and Sustainable Design \(SRPBS.24.103\)](#). As both a HAF initiative and an Affordable Housing Strategy Action Plan item, this CIP established financial programs to incentivize more affordable and sustainably designed housing.
 - **Initiative #3, Milestone 1:** In October 2024, Council approved the Infrastructure Funding Policy and the [Procedures to Infrastructure Acceleration Incentive Program \(SRCFS.24.055\)](#), which outlined the eligibility requirements to receive funding. This program will provide financial incentives to developers to accelerate the construction of growth-related infrastructure for new housing developments.
 - **Initiative #5, Milestone 2:** In February 2025, Council approved the staff report regarding the Launch of Richmond Hill Centre Zoning Bylaw ([SRCM.25.04](#)), which will implement the Richmond Hill Centre Secondary Plan and accelerate key infrastructure and streamline development in the future transit-oriented community.
 - **Initiative #9, Milestone 3:** In November 2024, Council approved the Official Plan and Zoning Bylaw Amendments to expand permissions for Additional Residential Units and to permit four-storey building heights in Major Transit Station Areas ([SRPBS.24.122](#)). This is a critical milestone to expand housing options and increase housing density near major transit stations and in neighbourhoods.
- The City's progress on achieving the Housing Supply Growth Targets and Additional Targets. The table below outlines net new unit counts for each target through approved building permits:

Page 7

Housing Units Approved in the First HAF Annual Report

Housing Target Category	Units Approved (by November 14, 2024)	Total Three-Year Target
Housing Supply Growth Target: Net new total units	683	4,820
Multi-unit housing units in close proximity to rapid transit	52	2,602
Missing middle housing units	382	1,094
Other multi-unit housing units	0	144
Affordable housing units (4.85% of the Housing Supply Growth Target)	0	234

This table only reflects the approved units during the 2024 reporting period (November 15, 2023, to November 14, 2024).

While there was no annual target requirement within the overall three-year period in the Agreement, since the approved building permit data for 2024 were relatively low, the following rationale was provided to CMHC as additional supporting information per their request:

- Most policies and programs enabled by HAF were under development or still in the early implementation stages by the end of 2024. It takes time for the full impact of unit creation to materialize.
- While the City facilitates the review and approval, we have no control over when developers submit building permits after obtaining planning approvals. Housing projects that receive planning approvals may not seek building permits immediately.
- Current market conditions present significant economic challenges to property owners and developers, which have likely had an impact on residential development. High interest rates and cost of construction, shortage of labour, and rapidly changing Provincial legislation all contributed to the growing uncertainties and challenges in the current conditions.

Key Dates and Timelines

The following are some key dates outlined in the Agreement:

Already completed

- May 25, 2024 First Attestation (*completed on May 21, 2024*)
- December 15, 2024 2024 annual reporting (*completed on December 11, 2024*)

Page 8

Upcoming

- December 15, 2025 2025 annual reporting due
- November 14, 2026 Deadline to meet all housing unit targets via approved building permits
- December 15, 2026 2026 annual reporting due
- November 15, 2027 Deadline to spend all funds received
- December 15, 2027 2027 annual reporting due
- February 13, 2028 Final report on the use of funds only

Next Steps

In 2025, staff will continue to advance all HAF initiatives and closely monitor the use of funds and building permit approvals to ensure best efforts are made to achieve the Housing Targets outlined in the Agreement. The second annual report is required to be submitted to CMHC in December 2025.

In early 2026, a progress report will be brought back to Council after the second annual report is submitted. Staff will also continue to monitor external factors that could impact the program and report back should any further approvals be required before then.

Financial Implications:

Financial Terms of the HAF Agreement

Although the City was approved for \$31.1 million in total, the receipt of the fund is in four equal advances, throughout the term of the HAF Agreement, annually from the fiscal year 2023/24 to 2026/27.

The first advance of \$7,778,845 was received on November 30, 2023, and \$961,254 was spent during the first reporting period to implement the Action Plan. This cost includes relevant consultant fees, staffing costs, and costs for other permitted uses (such as marketing costs) to advance all the HAF initiatives.

After the first annual report was submitted to CMHC on December 11, 2024, progress was assessed by CMHC to determine eligibility for the second HAF advance. On February 26, 2025, the City received the second advance of \$7,778,845 to continue the implementation of HAF.

Eligibility to continue receiving the third and fourth advances is based on the City meeting all the terms and conditions outlined in the Agreement, including progressing all the initiatives as committed and the timely delivery of all reports. In addition, as a condition of the **fourth advance only**, the City is also required to achieve the Housing Supply Growth Target of 4,820 units and all Additional Targets (close to transit, missing middle, other multi-unit, and affordable) by November 2026.

All HAF funding received must be spent by November 2027. Any unused portion

Page 9

will need to be returned to CMHC. City staff are monitoring closely to ensure strategic allocation of the funding.

Risk and Mitigation Considerations

In addition to market condition challenges, the aggressive timeline to approve units by November 2026 poses a risk of the City not receiving the full grant amount, particularly the fourth disbursement. Since the final payment depends on meeting Housing Targets measured by approved building permits, which is largely beyond the City's control, this remains a key concern.

Originally, the notional budget allocation was based on the City receiving three HAF payments totaling \$23.3 million, contingent on meeting all the terms and conditions of the Agreement. Under this assumption, \$4.5 million has been notionally allocated towards program development and implementation, and the remaining \$18.7 million towards the two incentive programs - CIP and the Infrastructure Acceleration Incentive Program.

However, with a Federal election now called for April 28, 2025, there is greater uncertainty about whether the City can rely on receiving the third payment regardless of whether the City is in compliance with the requirements. Since challenges remain in achieving the Housing Targets, the fourth payment was never notionally allocated to avoid over-commitment of the funds and to mitigate risk to the City.

So far, the City has received the first two payments totaling \$15.5 million. \$4.5 million has been committed towards program implementation throughout the full term of the HAF Agreement, and the remaining \$11 million will be allocated towards the two incentive programs. Should the City receive the third HAF payment, allocations to the two incentive programs will increase accordingly.

The HAF Agreement, as with most funding or transfer payment agreements, sets out that the funder's obligations are subject to there being a Parliamentary appropriation for the fiscal year in which the payment is to be made. For most funding agreements, there is some level of certainty that this will happen. In this particular circumstance, not only is there a potential change in government during the agreement period, but also the Official Opposition has indicated that it intends to cancel the HAF program should it form government after the election.

Staff have been working collaboratively to maximize the use of funds and achieve the housing targets by November 2026, while minimizing risk to the City in the context of this uncertainty. Staff will continue monitoring the situation closely for any signs that may impact the HAF program and the City's funding and will report back as necessary.

Recognizing that this challenge is not Richmond Hill's alone, on February 7, 2025, Ontario's Big City Mayors caucus passed a resolution requesting that the Federal Government accelerate the delivery of the HAF and provide advance payments for

Page 10

qualifying Ontario municipalities to increase the housing supply. This report recommends that the City support this call as a way to provide greater certainty of funding for municipalities as they strive to realize residential unit targets, as continuing uncertainty may impact cities' ability to achieve our mutual goal of increasing housing supply.

Strategy and Government Relations staff, working with the Mayor's Office, will continue to support OBCM's position and convey the challenges presented by continuing uncertainty about the disbursement of the third payment in advocacy with the CMHC, Federal government and the City's MPs over the next number of months regardless of the timing and outcome of a Federal election.

Relationship to Strategic Plan 2024-2027:

The implementation of the City's HAF agreement is an important piece of the work underway to realize the 2024-2027 Strategic Plan Pillar of "Growing a Livable, Sustainable Community," specifically the priority to "manage growth in a way that enables choice and connection for the city, its residents and businesses now and in the future" by providing housing options.

Attachments:

The following attached documents may include scanned images of appendices, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format, please call the contact person listed in this document.

- Appendix A: Housing Accelerator Fund (HAF) First Annual Report – Initiative and Milestone Progress
- Appendix B: OBCM Resolution Requesting that the Federal Government accelerate the delivery of the Housing Accelerator Funding for qualifying Ontario Municipalities to Increase the Housing Supply – February 7, 2025

Page 11

Appendix A: Housing Accelerator Fund (HAF) First Annual Report – Initiative and Milestone Progress

Initiative/Lead Division	By November 30, 2024 (2024 annual report deadline)
Initiative #1: Official Plan Amendments and Implementing Zoning Bylaws for Three Centres	
Lead: Development Planning	
Milestone 1: Council Public Meeting for the Three OPAs	Completed
Milestone 2: Council Adoption of OPAs	Completed *
Milestone 3: Council Public Meeting for ZBLs to Implement the Three Adopted OPAs	On Track
Milestone 4: Council Approval of ZBLs to Implement the Three Adopted OPAs	Not Started
Initiative #2: Community Improvement Plan for Affordable Housing and Sustainable Design	
Lead: Policy Planning	
Milestone 1: Complete Background Study	Completed
Milestone 2: Stakeholder Consultation	Completed
Milestone 3: Draft Community Improvement Plan	Completed
Milestone 4: Public Open House	Completed
Milestone 5: Statutory Council Public Meeting	Completed
Milestone 6: Adoption of Community Improvement Plan	Completed *
Milestone 7: Program Guidance and Implementation	On Track
Initiative #3: Infrastructure Acceleration Incentive Program	

Page 12

Lead: Infrastructure Planning and Development Engineering	
Milestone 1: Development of the Policy/Program Framework	Completed *
Milestone 2: Implementation of the Program	On Track
Initiative #4: Development Approval Process Improvements	
Lead: Development Planning	
Milestone 1: Project Initiation	Completed
Milestone 2: Project Completion	On Track
Initiative #5: Richmond Hill Centre Secondary Plan	
Lead: Economic Development and Richmond Hill Centre	
Milestone 1: Project Commencement	Completed
Milestone 2: Report to Council & Public Engagement	Not Started
Milestone 3: Statutory Council Public Meeting	Not Started
Milestone 4: Council Approval of Zoning Bylaw	Not Started
Initiative #6: Neighbourhood Zoning Bylaw	
Lead: Development Planning	
Milestone 1: Public and Stakeholder Consultation	Completed
Milestone 2: Council Public Meeting for ZBL	Not Started
Milestone 3: Council Approval of ZBL	Not Started
Initiative #7: Concierge Program for Affordable Housing	

Page 13

Lead: Policy Planning	
Milestone 1: Establish Scope of Work and Obtain Approval for Program Staffing	Completed
Milestone 2: Hire Approved Staffing	Completed
Milestone 3: Staff to Undertake Responsibilities and Pilot Concierge Project	On Track
Initiative #8: Surplus and Underused Lands for Affordable Housing Program	
Lead: Policy Planning	
Milestone 1: Inventory of Surplus Lands & Pilot Site Selection	Completed
Milestone 2: Draft Process for Surplus Lands	Completed
Milestone 3: Update Corporate Policies	On Track
Milestone 4: Rezoning and Development Standards Updates	On Track
Milestone 5: Lease or Donate Lands for Pilot Project	Not Started
Milestone 6: Formalize the Program	Not Started
Initiative #9: Increasing Housing Density Near Major Transit Stations and in Neighbourhoods	
Lead: Development Planning	
Milestone 1: Procurement of Consultant	Completed
Milestone 2: Initiate Planning Process	Completed
Milestone 3: Complete Statutory Process	On Track

This table reflects the progress and initiative/milestone status by November 30, 2024, as per the 2024 annual report requirement.

Page 14

By the end of February 2025, five more milestones have been completed:

- Initiative #1, Milestone 3: Council Public Meeting for ZBLs to Implement the Three Adopted OPAs
- Initiative #2, Milestone 7: Program Guidance and Implementation
- Initiative #4, Milestone 2: Project Completion
- Initiative #5, Milestone 2*: Report to Council & Public Engagement
- Initiative #9, Milestone 3*: Complete Statutory Process

** Some Milestones completion required Council Approval (indicated with an asterisk).*

Page 15

Appendix B: OBCM Resolution Requesting that the Federal Government accelerate the delivery of the Housing Accelerator Funding for qualifying Ontario Municipalities to Increase the Housing Supply – February 7, 2025

Whereas the Housing Accelerator Funding (HAF) program was established in March 2023 by the Government of Canada to provide financial support to municipalities and First Nations governments to help build more housing by eliminating barriers and ending restrictive zoning provisions in order to build much needed housing including more rental housing, affordable units and housing around public transit and on city owned lands, and

Whereas the HAF funding is allocated in four parts over 3 years and each allocation is contingent on meeting established and agreed upon targets,

Whereas this funding has been instrumental in moving important and much needed housing initiatives forward across numerous municipalities in 2023 and 2024, and will be in 2025,

Whereas the advancement of the 3rd and 4th funding tranches would provide the municipalities that are utilizing the HAF the confidence that they will be able to complete all of their planned housing initiatives and achieve the housing targets identified in the HAF Action Plans, and, in some municipalities, accelerate some HAF housing initiatives, and

Whereas, the 3rd and 4th HAF funding allocations- if provided in 2025 – would be returned to the federal government at the end of the existing HAF contracts if the agreed upon housing and HAF initiatives were not fulfilled, and

Whereas, municipalities will continue to commit to providing audited statements to the Ministry of Housing, Infrastructure and Communities that outlines how HAF is being utilized and that if these funds were not spent in accordance with the funding agreement, the municipality would return the allocated funds,

Therefore be it resolved that OBCM requests that the federal Minister of Housing, Infrastructure and Communities direct staff at the Canadian Mortgage and Housing Corporation to immediately work with municipalities which received HAF to understand the opportunities available for these municipalities to further increase the housing supply if the 3rd and 4th HAF funding allocations were accelerated and provided in 2025 instead of 2026 and 2027 and,

Be it further resolved that OBCM calls on its federal counterpart, the Big City Mayors' Caucus, to pass the same/similar motion as soon as possible.

And that a copy of this motion be sent to:

The Right Hon. Justin Trudeau, Prime Minister of Canada

The Hon. Nate Erskine-Smith, Minister of Housing, Infrastructure and Communities

Page 16

The Hon. Dominic Le Blanc, Minister of Finance

Josh Morgan, Chair, Big City Mayors' Caucus and Mayor of London

Robin Jones, President, AMO and Mayor of Westport

Page 17

Report Approval Details

Document Title:	SRCM.25.06 – Housing Accelerator Fund First Annual Update.docx
Attachments:	
Final Approval Date:	Apr 3, 2025

This report and all of its attachments were approved and signed as outlined below:

No Signature found

Lise Conde - Apr 2, 2025 - 5:40 PM

Anthony Iannucci - Apr 3, 2025 - 7:07 AM

No Signature found

Gigi Li - Apr 3, 2025 - 9:22 AM

No Signature - Task assigned to Darlene Joslin was completed by delegate Tracey Steele

Darlene Joslin - Apr 3, 2025 - 12:44 PM