



**Canada Mortgage and Housing Corporation  
Housing Accelerator Fund Incentive Programs  
PED23143(b)/HSC23017(b)  
(City Wide)**

General Issues Committee – December 6, 2023

# CMHC's Housing Accelerator Fund (HAF)

- Intended to incentivize the development of 2,675 net new residential units above the City's five-year historical Building Permit average by December 2026
- City was allocated \$93.5M by CMHC to execute Council approved Housing Action Plan (HAP) initiatives intended to support the housing unit goals
- HAF is intended to support the creation of both net new market and affordable housing units
- To meet the net new residential targets imposed by CMHC, HAF needs to be focused on market units

# Housing Action Plan (HAP)

- HAP initiatives requiring the creation of new incentive programs utilizing HAF funding support the following:
  - new Additional Dwelling Units in new and existing homes
  - 'missing middle' multi-plex's containing six or less units
  - multi-residential rental units developed on, or in close proximity to, rapid transit corridors containing seven or more units
  - residential development on sites which have been the subject of a city-led planning exercise to remove barriers to new housing creation
  - not-for-profit housing developments on remediated brownfield sites
- The focus of today is three new proposed incentive programs to address all of the above with the exception of the brownfield initiatives
- The brownfield initiative has already been addressed with the implementation of the ERASE Affordable Housing Grant Program completed in July 2023
- All other HAP initiatives do not require a CIP or incentive programs

# Housing for Hamilton CIP (HHCIP)

- Community Improvement Plans (CIPs) are a tool under the *Planning Act* that allow municipalities to provide incentives not otherwise permitted under the *Municipal Act*
- HAF supported incentive programs require the use of a CIP to be implemented under Ontario legislation
- Defined geographic areas in which programs are to be offered within are referred to as “Community Improvement Project Areas” or CIPAs
- CIPs and CIPAs are implemented as by-laws and must be undertaken in accordance with requirements of the *Planning Act* (s.28)
- The Housing for Hamilton CIP is a preexisting plan created in 2019 as a vehicle for incentive programs geared towards new housing creation in the City
- Staff’s proposals include required amendments to the HHCIP and an updated CIPA to implement the new HAF supported incentive programs

# New Incentive Programs

## **Accessory Dwelling Unit and Multi-Plex Housing Incentive Program (Housing Action Plan Initiative #1)**

- To support the creation of Additional Dwelling Units or Garden Suites within, or on the same property as, new, or existing low-density houses or the creation of multi-plex developments with six (6) or less Dwelling Units
- Incentives include:
  - a grant to rebate the City application fee for each building permit successfully issued to a maximum of \$2,000 per permit
  - a 15-year forgivable loan of \$25,000 per eligible unit(s) intending to meet the program's affordability parameters, to a maximum of \$150,000
- Available city-wide
- Units intending to meeting affordability parameters must charge rents not exceeding 100% of the Average Market Rent for the City as stated by CMHC for all 15 years

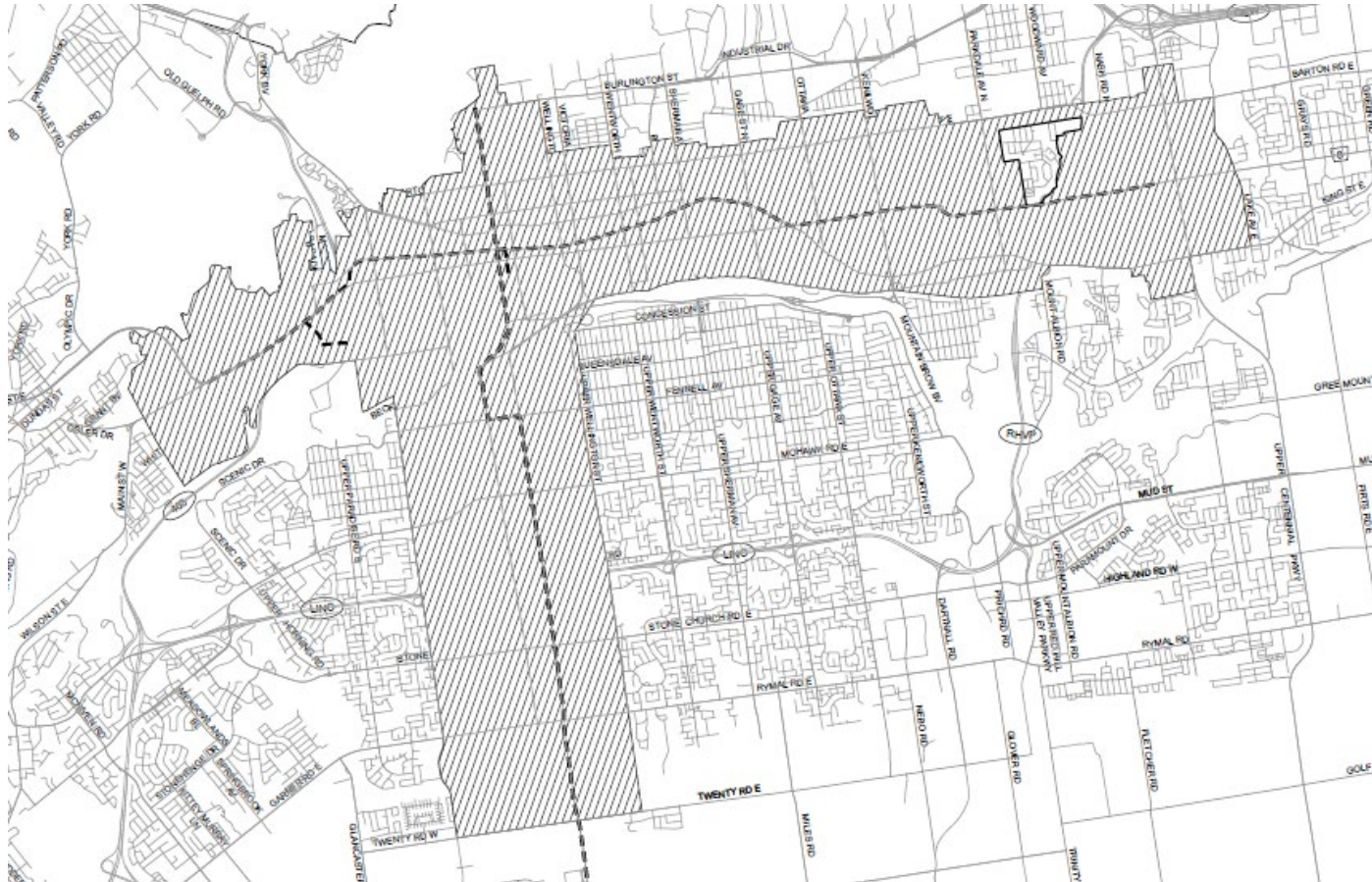
# New Incentive Programs (cont'd)

## **Rapid Transit Multi-Residential Housing Incentive Program (Housing Action Plan Initiative #2)**

- To support the creation of seven (7) or more net new residential rental and/or affordable residential rental units on sites in close proximity to the Line A and B rapid transit corridors
- Incentives include:
  - a grant of \$50,000 per site
  - a 15-year forgivable loan of \$25,000 per eligible unit(s) intending to meet the program's affordability parameters, to a maximum of \$2,500,000 per site
- Available in areas generally within 1500m of the Line A and B rapid transit corridors (CMHC stipulated radius)
- Units intending to meeting affordability parameters must charge rents not exceeding 100% of the Average Market Rent for the City as stated by CMHC for all 15 years

# New Incentive Programs (cont'd)

## Rapid Transit Multi-Residential Housing Incentive Program (Housing Action Plan Initiative #2)



# New Incentive Programs (cont'd)

## **Housing Acceleration Incentive Program (Housing Action Plan Initiative #3)**

- To support the creation of seven (7) or more net new housing units and/or affordable rental housing units on sites which have been the subject of a city-led land use planning initiative occurring after April 7, 2022 which removed barriers in support of new housing creation
- Incentives include:
  - a grant of \$35,000 per site
  - a 15-year forgivable loan of \$25,000 per eligible unit(s) intending to meet the program's affordability parameters, to a maximum of \$2,500,000 per site
- Available city-wide with the exception of the area in which the rapid transit program is made available
- Units intending to meeting affordability parameters must charge rents not exceeding 100% of the Average Market Rent for the City as stated by CMHC for all 15 years



# Conclusion/Next Steps

- The proposed programs will fulfill City commitments to CMHC per the HAF contribution agreement signed between the two parties on October 5, 2023
- If recommendation is supported staff will:
  - prepare the required by-laws to implement
  - provide public notice of the proposed CIP amendments and new programs as required under the *Planning Act*
  - bring the proposed by-laws to a statutory public meeting of the Planning Committee for public comment and Committee consideration in Q1 2024



THANK YOU