



CMHC Housing Accelerator Fund City of Saint John Application

Common Council • July 10, 2023



SAINT JOHN

What is the Housing Accelerator Fund?

Canada Mortgage Housing Corporation is providing direct funding to local authorities to create and implement transformational initiatives that accelerate the growth of housing supply

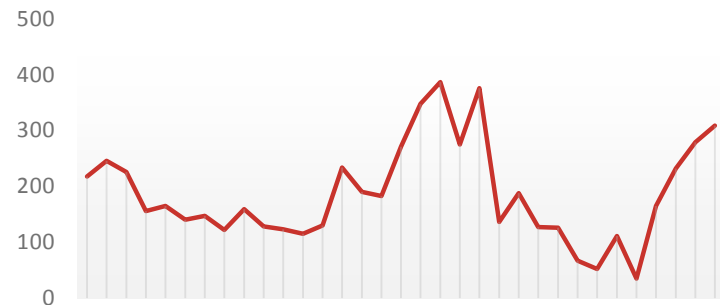
- \$4 billion fund intended to result in 100,000 more housing units nationwide.
- Directly incentivizes local governments over a three-year period (2024-2026) to introduce transformational initiatives that will increase supply of housing (not direct underwriting of projects)
- One-time application intake open between July 4-Aug 18, 2023



Saint John context

- Annual housing starts need to at least double to meet current population growth targets
- Housing starts have not kept pace with increased demand. If action is not taken, housing will be further out of reach for more residents.

Saint John (City) Historical Housing Starts, 1990-2022, (CMHC)



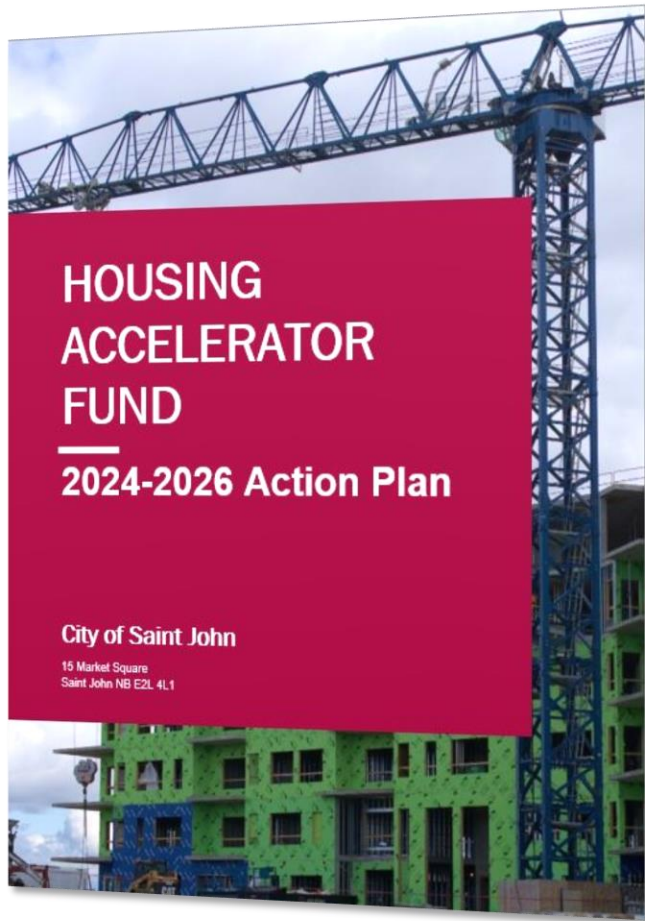
Saint John (City) Historical Vacancy Rates, 1990-2022 (CMHC)



Timeline on municipal actions related to housing

Jan 2021	Affordable Housing Action Plan introduced to staff work plan
Aug 2021	Launch of Housing Needs Assessment (HNA)/Affordable Housing Action Plan (AHAP)
Oct 2021	Council priorities adopted, which included facilitating Affordable Housing
Nov '21 – Mar '22	Completion of HNA and stakeholder engagement to validate Action Plan
Jun '22 – Sept '22	Draft Affordable Housing Action Plan workshopped and endorsed
Sept 2022	Council passes resolution to investigate creation of a Municipal Housing Entity
Oct 2022	Council adopts 5-year Affordable Housing Action Plan (2022 – 2027), which includes 39 actions intended to improve local housing system
Nov '22 – Mar '23	Third round of Rapid Housing Initiative (RHI) launched. City-initiated application assembled and submitted to CMHC consisting of four non-profit projects (123 units)
Mar '23 – Jul '23	Housing Accelerator Fund announced. Workshop convened with staff to workshop initiatives, including collaboration with <u>Envision Saint John</u> to understand current development conditions constraints. Bi-weekly meetings with CMHC and monthly updates to Growth Committee.

Housing Accelerator Fund – The Opportunity



- The city is requesting \$15m in funding spread over 3-year period
- 8 Initiatives in 2024-2026 Action Plan would implement 10 key actions from *Affordable Housing Action Plan* and deliver 5 actions in *10-year Strategic Plan*
- Limited opportunities may remain with National Housing Strategy

Initiative #1 - North End Secondary Plan

Strategic importance in expediting a revitalization plan for the Old North End and broader North End area.

- **Community Improvement Plan** - Increase certainty for development approvals and investor confidence to help unlock several key sites over the next 3-5 years, paired with a long-term vision for the full study area
- **Community amenity** - Coordinated approach to planning around new school
- **Infrastructure** – Infrastructure modeling and roadmap for improvement
- **Systemic impact** - Create template for further revitalization of other urban neighbourhoods

Initiative #2 – Housing Concierge Program

Increased supply of purpose-built rentals are crucially needed in Saint John to satisfy expected population growth

- **Project championing** – Enhanced OneStop approach to helping navigate approvals and hurdles of developments in the pipeline
- **Incentives** – Explore extension of development incentives to key areas/building forms (e.g. mixed-income developments) and reduction in fees
- **Studies** – Proactively remove potential upfront costs
- **Additional Resources** – improve permitting response times

Initiative #3 – Unlock Gentle Density

Greater facilitation of small-scale infill developments aligns with planning goals of efficient infrastructure, while targeting missing middle housing and different segment of developers

- **Faster lot creation** – Expediting small scale subdivisions to enable infill
- **Pre-Approved Schematic Plans**– Standard package for garden suites and semi-detached/townhouse submissions
- **Grants and Fee Reimbursements** – Stimulate increase number of projects through pilot program
- **Design Guidelines/Builder engagement**– to support well-designed neighbourhood infill

Initiative #4 – Capitalize Affordable Housing

Deeply affordable units are needed in Saint John to provide housing for those of lower incomes or who require assisted living environments

- **Ongoing coordination** – Non-profit developers and Social Development/NB Housing
- **Reduce upfront fees** – Crucial to reduce/reimburse upfront fees to help projects move forward
- **Affordable Housing Grant fund** – Replenish and improve effectiveness

Initiative #5 – Leveraging Public Lands

Land is a key lever to helping make a project happen. This initiative targets public lands *and* underutilized land for redevelopment into housing

- **Inventory and coordination** – Municipal/provincial/federal lands to maximize redevelopment opportunities
- **Underutilized lands** – community designated lands, parking lots, etc
- **Community enhancement** – Ongoing coordination with NB Housing and advocacy on tax sale process

Initiative #6 – Zoning By-law Reform

- Reforming the City's Zoning By-law to support our housing and growth needs will increase opportunities for housing, while streamlining approvals and allow more efficient use of resources. E.g. up-zoning along major corridors and in neighbourhoods.

Initiative #7 – E-permitting

The initiative will include efforts to implement a new state-of-the-art e-permitting software to enable a more streamlined and efficient permit reviews and approvals. The initiative will result in a systemic improvement to building, planning, and enforcement permitting that will greatly improve efficiency and customer service.

Initiative #8 – Governance Reform

Undertaking research on potential governance reform options (e.g. municipal housing entity) will provide a vehicle for ongoing implementation of Affordable Housing Action Plan and longer-term systemic impacts that will drive a response to the housing crisis. The initiative will investigate potential options and take steps toward implementation of the preferred option.

Outcomes of Application



More housing = more livable, vibrant neighborhoods

Target on average 425 new units permitted per year, for the next 3 years.

Target annual housing supply growth rate increase of 52% over current baseline growth.

Accelerated implementation of Municipal Plan, Strategic Plans, and Affordable Housing Action Plan

Recommendation

That Common Council receive and file the presentation for information.