

COMMON COUNCIL REPORT

M&C No.	2024-335
Report Date	December 3, 2024
Meeting Date	December 9, 2024
Service Area	Growth and Community Services

Her Worship Mayor Donna Noade Reardon and Members of Common Council

SUBJECT: Amendment to Schedule A - City of Saint John Housing Accelerator Fund 2024-2026 Action Plan –CMHC Agreement #27,097,302

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	Chief Administrative Officer
<i>Carrie Smith</i>	<i>Amy Poffenroth/Pankaj Nalavde</i>	<i>J. Brent McGovern</i>

RECOMMENDATION

That Council authorize the City’s HAF Project Manager to accept via email the amendment to Schedule “A” of the Housing Accelerator Fund Contribution Agreement between the City and CMHC dated as outlined in the email correspondence attached to this M&C 2024-335, and that the Mayor and Clerk be authorized to execute the said Amendment or any other documents ancillary thereto.

EXECUTIVE SUMMARY

The City of Saint John entered into an agreement with Canada Mortgage Housing Corporation (CMHC) for the Housing Accelerator Fund (HAF) on January 2, 2024, to provide \$9.18 million in funding to the City to implement its HAF Plan, which was approved by Common Council in July 2023. The purpose of this report is to recommend an amendment to Schedule A to adjust milestone dates under Initiative 1 – North End Secondary Plan and adjust milestone descriptions and dates for Initiative 3 – Unlocking Gentle Density to account for unforeseen challenges and delays in completion of these milestones within their originally scheduled timelines.

PREVIOUS RESOLUTION

On December 18, 2023, Common Council authorized the Mayor and Clerk to execute the Housing Accelerator Fund Contribution Agreement with the Canada Mortgage and Housing Corporation, generally in the form as presented to the Committee of Whole at its December 18, 2023, meeting.

On June 24, 2024, Common Council authorized the City’s HAF Project Manager to accept via email the amendment to Schedule “A” of the Housing Accelerator Fund Contribution Agreement between the City and CMHC dated as outlined in the email correspondence attached to M&C 2024-167, and that the Mayor and Clerk be authorized to execute the said Amendment or any other documents ancillary thereto.

REPORT

Staff identified two Initiatives and subsequent milestones that required adjustments within Schedule A of the Housing Accelerator Fund Contribution Agreement between the City and CMHC that required revision. The table below outlines the revisions made to the appended Amended Schedule A.

Initiative	Milestone	Current Dates	Revised Dates
1. North End Secondary Plan	N/A	Start: 2024-02-01 Completion: 2026-02-01	Start: 2024-02-01 Completion: 2026-06-01
1. North End Secondary Plan	Community Improvement Plan and Infill Strategy	Start: 2024-06-15 Completion: 2025-07-15	Start: 2024-11-06 Completion: 2025-11-01
1. North End Secondary Plan	Adoption of CIP and Infill Strategy	Start: 2025-07-30 Completion: 2025-12-27	Start: 2025-11-01 Completion: 2026-04-30
1. North End Secondary Plan	Communication and Awareness	Start: 2026-01-05 Completion: 2026-02-01	Start: 2026-05-01 Completion: 2026-06-01
3. Unlock Gentle Density	<u>Remove:</u> Award RFP for schematic plans and builder education <u>Replace with:</u> Detailed review of proposed CMHC regional schematic designs	Start: 2024-01-02 Completion: 2024-06-15	Start: 2024-12-01 Completion: 2025-04-30
3. Unlock Gentle Density	Development of incentive grant program and permit fee reimbursement	Start: 2024-01-02 Completion: 2024-08-01	Start: 2024-01-02 Completion: 2024-10-28
3. Unlock Gentle Density	Adoption of subdivision amendments	Start: 2024-06-01 Completion: 2024-12-01	Start: 2024-06-01 Completion: 2025-01-15
3. Unlock Gentle Density	<u>Remove:</u> Development of schematic plans and builder education <u>Replace with:</u> Development of streamlined review process for pre-reviewed designs and builder education	Start: 2024-06-15 Completion: 2024-12-01	Start: 2024-12-01 Completion: 2025-04-30
3. Unlock Gentle Density	Adoption of program and staff training	Start: 2024-12-01 Completion: 2025-05-01	Start: 2025-04-01 Completion: 2025-05-01

For Initiative 3 – “Unlock Gentle Density”, staff will now be working directly with CMHC to support the review of designs for their catalogue and timelines and milestones have been adjusted to align with their timeline. For Initiative 1 – “North End Plan” there was a six-month delay in finalizing the procurement process and the timeline for starting and completing the plan has been pushed out six months to ensure adequate time for plan completion.

Pursuant to Section 12.09 of the Agreement, the parties have agreed to effectuate the amendments to Schedule A of the Agreement via the exchange of e-mailed communications. Staff has received an email with the revised agreement and has been asked to respond with acceptance of the revised Schedule A. Staff has reviewed the revisions provided by CMHC and recommend that these revisions be approved by Council and once approved will respond accordingly to confirm the change.

STRATEGIC ALIGNMENT

Council Priorities

Common Council has established five priorities for their 2021-2026 term. Affordable Housing aligns with the following Council Priorities:

Grow: Population Growth

- Grow our population at a rate of 2% annually by the end of Council’s term.

Belong: Livable Neighbourhoods

- Facilitate a mix of affordable housing in all of our neighbourhoods.

Action is needed to increase the supply of housing and meet anticipated demand due to population growth goals and other demographic factors.

Municipal Plan

- The HAF Plan supports the implementation of the Municipal Plan’s vision of smart growth and complete communities, where the city’s neighbourhoods are comprised of mixed income living and offer a range of diverse housing choices to meet different life cycle needs.
- The HAF Plan expedites the delivery of the Municipal Plan’s neighbourhood revitalization program through initiatives that target key intensification areas, primary corridors, and opportunities to add “gentle density.” The Plan further aligns with the General Housing Policies of the Municipal Plan (HS-1-11), Affordable Housing (HS-12- 16), and Secondary Suites (HS-20-21).

10-Year Strategic Plan

- The HAF Plan supports the 10-Year Strategic Plan (2023-2027+)’s population growth target of an additional 15,000 residents over 10 years. To adequately respond to this growth target, housing starts will need to double.
- The HAF Plan expedites several additional objectives and actions,

including growing the tax base, sale of City landholdings, development of a North End Neighbourhood Plan, expansion of incentive programs, implementation of the Affordable Housing Action Plan, and obtaining external funding for infrastructure investment.

Affordable Housing Action Plan

- The HAF Plan implements the 2022-2027 Affordable Housing Action Plan's objectives, in particular as it relates to cultivating a more responsive housing system and expanding the supply and range of affordable housing options.

SERVICE AND FINANCIAL OUTCOMES

There are no impacts to service or financial outcomes resulting from the proposed changes to the Schedule A of the Housing Accelerator Fund Contribution Agreement between the City and CMHC.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

The report and Contribution Agreement have been reviewed by the Office of General Counsel. Diligent and proactive management of the Agreement will be critical, in particular related to reporting requirements. During the first two years, staff will be reporting on progress toward meeting each milestone in the agreement, along with providing other information and attestations as outlined in the agreement. It is only in the final reporting year that the City's progress toward meeting the HAF 1,124 target will be measured, as CMHC recognizes time will be required to deploy initiatives and create results. Should the target not be fully reached, the Agreement indicates that the fourth and final advance could be reduced (4.1(iv)).

Adjustments to milestone dates have been reviewed with Growth and Community Services Staff and other departments as applicable.

ATTACHMENTS

1. *City of Saint John - Amended Schedule A - 2024-12-02*
2. *Email from CMHC 2024-12-02*
3. *Housing Accelerator Fund Contribution Agreement with Amended Schedule A – 2024-06-10*