

# Report to Council



**Date:** November 27, 2023  
**To:** Council  
**From:** City Manager  
**Subject:** Housing Accelerator Fund Overview  
**Department:** Partnerships Office

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**Recommendation:**

THAT Council receives, for information, the report from the Partnerships Office dated November 27, 2023, with respect to the Housing Accelerator Fund Overview;

AND THAT the Financial Plan be amended to include the receipt of funds.

**Purpose:**

To provide Council an overview of the Housing Accelerator Fund, a recently approved grant valued at \$31,558,610 from the Government of Canada.

**Council Priority Alignment:**  
**Affordable Housing**

**Background:**

This spring, the Government of Canada announced the Housing Accelerator Fund (HAF) which provides incentive funding to local governments encouraging initiatives aimed at accelerating housing supply. The funding is also aimed at supporting the development of complete, low-carbon and climate-resilient communities that are affordable, inclusive, equitable and diverse.

On October 25th the Honourable Sean Fraser, Federal Minister of Housing, Infrastructure and Communities, was in Kelowna to announce the City of Kelowna's successful HAF grant application with an associated value of \$31,558,610. Kelowna is the first BC community to receive this federal funding, and one of the first cohorts nationally.

The intention of the funding is to create transformational and long-lasting systems changes to accelerate housing in communities. This funding is to facilitate housing of diverse forms and tenures, in locations that contribute to a complete and compact community, to create a sustainable housing stock for decades to come.

**Discussion:**

As part of the funding requirements, local governments must commit to the following:

- Implementing a minimum of seven housing initiatives to accelerate housing through long-lasting systems changes;
- Commit to housing supply growth targets within the action plan that increases the average annual rate of growth by at least 10%; and
- Complete a Housing Needs Assessment.

In September of this year, Council approved the 2021-2031 Housing Needs Assessment identifying the current and future housing needs of our community. Therefore, the remainder of the City's commitment to this funding program falls to implementing the HAF initiatives and meeting the supply growth targets.

Through a one-team approach, cross-department City staff with expertise in housing, real estate, and information services developed the grant application, including outlining the HAF initiatives. The City of Kelowna's seven HAF initiatives include the following:

1. Implementing the infill housing options program.
2. Adjusting regulations to incentivize private sector housing development.
3. Transit Supportive Corridor Planning.
4. Affordable housing on City-owned land.
5. Establishing new housing partnerships and affordable housing delivery.
6. Investing in infrastructure to unlock housing.
7. Leveraging new technology to improve processing and data management.

As part of the HAF, the City completed an analysis of building permitting data over both a 5- and 10-year permitting period. Using that analysis, it was projected that the City would achieve 6,480 housing units without the HAF funding, and 7,430 units with the HAF funding, which equates to an additional 950 units achieved.

The HAF further outlines the following housing targets for the community over the next three years (defined as units that receive a building permit):

- 2,771 missing middle housing units (ground-oriented housing types including garden suites, secondary suites, duplexes, triplexes, fourplexes, row houses, courtyard housing, low-rise apartments less than 4 storeys)
- 4,180 other multi-unit housing units (all other multi-unit housing excluding missing middle)
- 479 other housing units (single family units without suites)

Of the above units, 416 need to be affordable housing units in our community.

The grant funds can be used for prescribed uses only, which fall under four categories:

- 1) Investments in Housing Accelerator Fund action plans,
- 2) Investments in affordable housing,
- 3) Investments in housing-related infrastructure, and/or
- 4) Investments in community-related infrastructure that supports housing.

This funding will be utilized to activate and complete the seven initiatives above as well as accelerate

housing through the approved incentive funding options above. The grant funding will be received in 25% annual installments. The final installment in 2026/2027 is contingent on the above housing targets being met.

Staff are collaborating internally on a governance structure and associated resourcing requirements to ensure this significant grant is executed on time, with all requirements implemented and targets achieved. The HAF team will include a Project Manager and a Senior Leadership Steering Committee who will provide support and oversight on the grant. Council will be kept apprised of the progress through annual HAF reports as well as through interim updates such as the Planning and Development Statistics Quarterly Report.

**Conclusion:**

This opportunity provides the City of Kelowna critical funding to make long-lasting changes to accelerate housing through adjusting regulations and systems, as well as investing in land and infrastructure for affordable housing. This funding allows the City to advance more housing without increased taxation for these initiatives.

**Internal Circulation:**

Planning, Climate Sustainability and Development Services  
Partnerships & Investments  
Corporate Strategic Services  
Financial Services  
Infrastructure

**Considerations applicable to this report:**

***Communications Comments:***

This announcement was shared with the public through a Government of Canada news release on October 25, 2023 and subsequent social media posts, including the City of Kelowna's social media posts.

**Considerations not applicable to this report:**

***Legal/Statutory Authority:***

***Legal/Statutory Procedural Requirements:***

***Existing Policy:***

***Financial/Budgetary Considerations:***

***Consultation and Engagement:***

Submitted by:

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**Approved for inclusion:** B. Evans, Partnerships Director