

Housing Supply Challenge Evaluation Report

November 2025



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Executive Summary

Evaluation Objective, Scope, and Methodology

The evaluation provided a neutral assessment of the relevance, coherence, effectiveness, impact, and efficiency of the Housing Supply Challenge (HSC) to support evidence-based decision making and to inform future programs. The HSC received a total of \$300 million over five years and provided funding to 66 finalists across the five thematic rounds. The evaluation scope covered the period from program inception to July 2025 and used a mixed-method approach that included interviews, a proponent survey, case studies, and an internal program document review.

Summary of Key Findings

The program participants see a continued need for this type of program. The program was found to be unique and complements other innovation programs and the suite of programs under the National Housing Strategy (NHS). Specifically, the HSC founded the advancement of innovative solutions that might otherwise have struggled to secure funding. Successful finalists showed impacts with their solutions, and most finalists scaled their projects beyond local communities. The HSC also had a positive influence on projects that extended beyond funding, including support from HSC partners, Evergreen and Innovation 7, that successfully helped the development of solutions and supported the application process.

Stakeholders and applicants generally expressed satisfaction with the program, however, some challenges were raised with the program's timelines and offboarding of unsuccessful applicants. Most applicants felt that the eligibility criteria encouraged innovative ideas, with the incubation phase being instrumental in strengthening solutions. The incubation phase may also have helped to de-risk funding decisions ensuring that solutions would have a practical and impactful application, and where appropriate, the ability to scale beyond the scope outlined in the concept development stage. However, it was noted by some that the definition of *innovation* used for the program needed to be clearly defined at the onset as selection decisions may have favoured lower-risk ideas in practice and/or solutions that may not have been most innovative.

Key Considerations

Based on these findings, the evaluation proposes five key considerations for future innovation programming:

1. Revisit the solutions funded through the HSC to learn from those that demonstrated strong potential in addressing housing needs and that could inform future opportunities for further investment or scaling.
2. Given the expressed need for innovative solutions to address housing shortages and demand for early-stage funding consider exploring avenues to support housing innovation that focuses on a variety of emerging housing needs.
3. Future innovation-focused housing programs should ensure incorporating an incubation phase or process to test and strengthen solutions, as well as offer tailored supports to proponents.
4. Allow for longer timelines when solutions are being developed and implemented to accommodate the iterative and unpredictable nature of innovation.
5. Consider clearly defining the term *innovation* in future program documentation and application scoring matrices to enhance transparency and clarity around its meaning, and to ensure alignment with a program's risk tolerance.

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Introduction

Program Overview

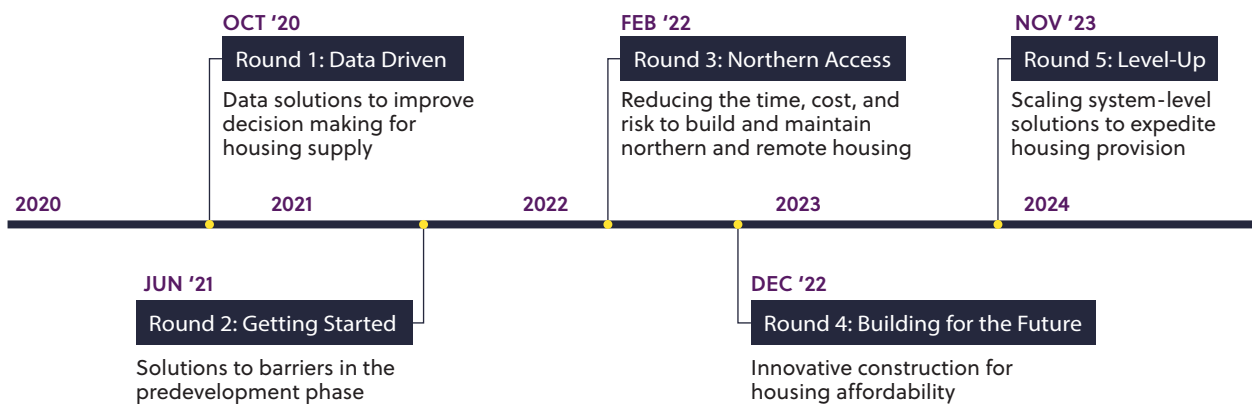
The Housing Supply Challenge supported innovative solutions to housing supply barriers.

This program was structured as a **Challenge**, specifically an open competition that invites ideas from a wide range of participants to solve a complex problem. Unlike traditional funding programs, Challenges offer financial incentives and non-financial supports to encourage innovation where existing solutions fall short.

The Housing Supply Challenge (HSC) invited proposals from the following:

- For-profit and non-profit organizations
- Indigenous organizations and groups
- Canadian post-secondary institutions
- Government (provincial, territorial, municipal, local)

The HSC invited proposals through five thematic funding rounds:



Each round was preceded by a **design phase**, defining the problem that the challenge sought to address and selecting competition design elements (timelines, prizes, eligibility, evaluation criteria, etc.).

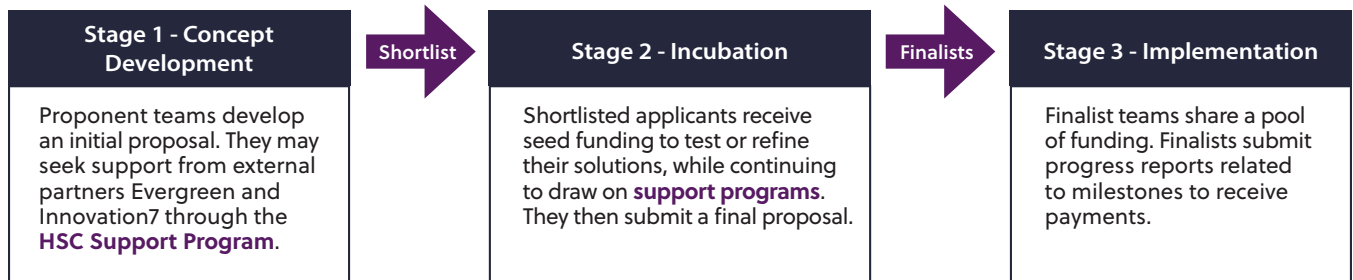
The HSC was part of the **National Housing Strategy (NHS)** and aligned with NHS shared outcomes.

The HSC challenges were issued and assessed through **Impact Canada's** challenge platform. Managed out of the Privy Council Office, Impact Canada supports departments across the Government of Canada to adopt innovative funding approaches.

The HSC received \$300 million in funding distributed among the five rounds and over five years, from 2020 to 2025.

Rounds 1 to 4 of the HSC were structured in three stages.

Challenges are typically structured in gated stages, allowing only the most successful participants to progress. In the case of the HSC, participants in funding rounds 1 to 4 (which are in scope for this evaluation) moved through the following stages:



The HSC program has three distinct objectives:

1. The competitions address barriers to housing supply and affordability.
2. The competitions have a demonstrated effect on new solutions to housing supply barriers.
3. Projects foster the creation and development of partnerships between applicants.

For further details on how the program design links to the program’s objectives, see the program logic model in annex A.

Program data provided details on the number of applicants that advanced through each round and the average funding per project at each stage (see table 1) and the geographical dispersion of the selected finalists for each round (see table 2).

Table 1: HSC applicant breakdown by competition round.

Competition Round	Number of Applicants	Shortlisted (Incubation)	Average Funding per Shortlisted Project	Finalists (Implementation)	Average Funding per Finalist Project
ROUND 1 – Data Driven	136	21 (15%)	\$200k	12* (8%)	\$1.6M
ROUND 2 – Getting Started	168	29 (17%)	\$75k	14 (8%)	\$2.7M
ROUND 3 – Northern Access	187	33 (18%)	\$250k	15 (8%)	\$4.8M
ROUND 4 – Building for the Future	251	26 (10%)	\$150k	16 (6%)	\$2.3M

*A total of 14 applications were selected as finalists, however, 2 projects were cancelled.

Table 2: HSC finalist breakdown by province and competition round.

Province/ Territory	Round 1	Round 2	Round 3	Round 4	Total (%)
Alberta		1 (7%)		2 (13%)	5%
British Columbia	2 (17%)	4 (29%)	1 (7%)	4 (25%)	19%
Manitoba	1 (8%)		2 (13%)		5%
New Brunswick					
Newfoundland and Labrador		1 (7%)	1 (7%)		4%
Northwest Territories			2 (13%)		4%
Nova Scotia					
Nunavut			3 (20%)		5%
Ontario	6 (50%)	6 (43%)	2 (13%)	6 (37%)	35%
Prince Edward Island		1 (7%)			2%
Quebec	3 (25%)	1 (7%)	1 (7%)	4 (25%)	16%
Saskatchewan					
Yukon			3 (20%)		5%

Evaluation Context, Questions, and Methodologies

Evaluation Objective and Overview

This evaluation assesses whether the Housing Supply Challenge (HSC) has made progress toward achieving its objectives. The purpose of the evaluation is to provide neutral, evidence-based insights to inform CMHC's policy advice to the government on the future directions of programs. It also aims to support CMHC in enhancing program design and delivery. The evaluation was launched in Q4 2023 and was completed in Q3 2025. Interviews and the survey were completed by Q4 2024.

The evaluation was conducted in accordance with the standards adopted by the Canadian Evaluation Society and the Treasury Board Secretariat's (TBS) *2016 Policy on Results*. The evaluation team was composed of CMHC's Evaluation Services, R.A. Malatest & Associates Ltd., and supported by a working group composed of CMHC staff from the Innovation and Data Enterprise Data Office teams.

Evaluating the Impact of Innovation

Innovation programs nurture new and untested ideas. These necessarily carry some risk of failure, balanced by the potential for groundbreaking success. The impact of an innovation portfolio is driven by these success cases, whose transformative outcomes can outweigh less successful or failed projects.

Therefore, evaluating the impact of an innovation program requires a distinct approach, focusing on breakaway successes rather than average results, as in a traditional program evaluation.

This evaluation assesses the HSC's impact by focusing on whether some HSC solutions are truly transformative, contributing to the program's long-term and ultimate outcomes (Evaluation Question 5).

Scope

Given the sequential nature of the HSC's funding rounds, solutions were in different stages of development during the evaluation, and so the scope of the evaluation differs by round:

- **Rounds 1 and 2:** Solutions from these rounds began implementation in fall 2021 and fall 2022, respectively. These solutions are included in the impact assessment, as they have been in implementation long enough to provide evidence of their contribution to the program's long-term outcomes. They are also included in the assessments of the program effectiveness and efficiency.
- **Rounds 3 and 4:** Implementation for these solutions began during the evaluation period. They are excluded from the impact assessment because, at the point of data collection, they had not been in implementation long enough to assess their contribution to the HSC's longer-term objectives. However, evidence from these rounds will inform analyses of the program effectiveness and efficiency.
- **Round 5:** This round was launched during the evaluation, with finalists announced in fall 2024. This round will be considered in a limited capacity, focusing primarily on its design, which differs from earlier rounds, and how that design aligns with the overall program.

The HSC's funding expired in March 2025. The evaluation therefore focuses on recommendations for continuing to nurture the solutions funded by the HSC and for informing potential future innovation programs with the unique competition design of the HSC.

Evaluation Questions

For this evaluation, measuring the impact of an innovative program meant combining traditional evaluation approaches (for example, predefined outcomes or average results) with those recommended when evaluating innovation (see annex B *Comparison of Traditional Versus Innovation Evaluations* for a comparison of these approaches).

This evaluation seeks to answer the questions below. For further details on the specific indicators and data collection approaches taken to support each evaluation question, see annex C *Evaluation Matrix*.

Relevance and Coherence

1. To what extent is there a **continued need** for a program that:
 - generates *solutions* to housing supply barriers?
 - encourages and incubates *innovation* in housing supply, targeting a wide range of stakeholders?
2. To what extent does the HSC **complement or duplicate** other programs?

Effectiveness

3. To what extent is the HSC on track to achieve its short- and medium-term **outcomes**?
4. To what extent does the HSC **generate innovation** to create housing solutions?

Impact

5. Do some solutions show promise of contributing to the HSC's **long-term and ultimate outcomes**?

Efficiency

6. Are there more efficient ways to design and deliver the HSC?

Methodologies

This evaluation was informed by the following lines of evidence, see annex C *Evaluation Matrix* for more details:

- **A total of 27 interviews with:**
 - CMHC staff who helped design and implement the HSC (n=7);
 - the HSC applicants, including finalists (n=9), shortlisted applicants (n=4), and unsuccessful applicants (n=3) from rounds 1-4; and
 - staff from Impact Canada (n=1), Evergreen (n=1), and Innovation 7 (n=2) who supported the design and delivery of the HSC.
- **A total of 147 surveyed proponents from rounds 1-4:**
 - Unsuccessful applicants (n=105), shortlisted applicants (n=13), and finalists (n=29)
- **A total of 4 case studies from rounds 1 and 2:**
 - Case studies were selected using purposive sampling with the intent to examine the factors of successful projects (finalists) as well as to ensure geographical diversity and a breadth of different innovation types. Projects from rounds 1 and 2 were chosen as they had reached the final implementation stage and could showcase their scaling and impact.
- **Internal program document review:**
 - Documents were scanned and summarized to align with evaluation indicators listed in annex C.

Evaluation Limitations

Limitation	Description/Impact	Mitigation Strategy
<p>Limited available program data and data on program outcomes.</p>	<p>Little available data has been collected on program outcomes and impacts, due to the nature of the program design not requiring quantitative data, and a focus on innovative results. As a result, there is limited quantitative data to support evaluation findings on the achievement of program outcomes.</p>	<p>The evaluation relied mostly on interview and survey data to infer relative impacts for different outcomes.</p>
<p>High dependence on interviews and surveys.</p>	<p>Evaluation evidence gathered through key informant interviews and surveys is primarily opinion-based and thus subjective. These lines of evidence provide the bulk of the evidence to support evaluation findings.</p>	<p>The evaluation triangulated different lines of evidence to the extent possible with available program data, documentation, and external literature. Further, case studies were used to substantiate interviews and surveys.</p>
<p>Assessing long-term impacts of innovation programs.</p>	<p>As highlighted in annex C, defining outcomes and performance metrics in advance can present challenges. Innovation processes are often non-linear and unpredictable, with solutions evolving over time in response to testing, feedback, or changes in context. Predetermined success criteria may not fully capture the value or impact of an initiative as teams may pivot from their original approach, uncover new opportunities, or shift priorities entirely.</p>	<p>To emphasize breakthrough successes and recognize the value of unexpected results, the evaluation was structured to account for the flexibility and nuance of an innovation-driven program through the evaluation questions and indicators.</p>

Findings: Relevance and Coherence

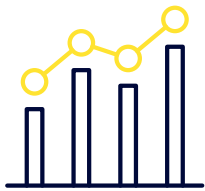
Finding 1:

The program participants see a continued need for this type of program.

There remains a large housing supply gap in Canada.

As of June 2025, it was estimated that Canada required an additional 4.8 million housing units, beyond what was projected to be built under a “business as usual” scenario, to restore housing affordability levels last seen in 2019. The size of the housing supply gap differs across provinces, with the largest gaps in Ontario and Nova Scotia (CMHC, 2025).

The HSC’s funding round themes remain relevant, as the barriers they target continue to contribute to Canada’s large housing supply gap. These barriers include the following:



Fragmented or inconsistent data on housing needs, stock, supply, and affordability can hinder effective decision making this is the focus of the **HSC’s first round** (CMHC, 2018; 2024). Improving data collection, integration, and

sharing can be one important step toward better housing policy and closing the supply gap.



Inefficiencies in the predevelopment phase, the focus of the **HSC’s second round**, can drive up costs and deter developers. In 2020, Canada ranked second last among 38 OECD countries

for the length of its municipal approval process (Housing, Infrastructure and Communities Canada, 2024). Barriers such as rigid zoning laws (Lemphers, 2017), lengthy approval times (CMHC, 2022), and community resistance to new development (Tretter & Heyman, 2021), along with policy-implementation gaps and a lack of effective collaboration (CSA Public Policy Centre, 2023; Dachis & Thivierge, 2018; Infrastructure Canada, 2022) can make this phase a major bottleneck. Addressing these barriers requires a multifaceted approach, including streamlined approval processes, better policy alignment, and stronger community engagement.



Delays, high costs, and risks associated with accessing building resources in northern and remote parts of Canada exacerbate the housing supply gap in these areas (CMHC, 2023; SSCAP, 2015). The **HSC's third**

round focuses on inefficient supply chains in these areas, which limit new development and accelerate the decline of existing housing (CMHC, 2023). These issues are aggravated by climate change-related transportation challenges (Lulham et al., 2023).



Outdated construction techniques and systems, the focus of the **HSC's fourth round**, can slow the development of housing. High material and labour costs, lengthy permitting, and project delivery processes

discourage innovation and scaling of new construction methods (Chusdasma, 2019; Dachis & Thivierge, 2018; Housing, Infrastructure and Communities Canada, 2024; Lafleur et al., 2016; Tsenkova, 2022). Addressing these barriers through innovations in construction remains an important step in tackling the supply gap.

More innovation is needed to overcome housing supply barriers in Canada.

There is a lack of sufficient innovation in the housing sector in Canada. Productivity growth in the industry has been weak (CMHC, 2022), and the construction sector in Canada is low-tech and labour-intensive (Lockhart & Haley, 2024). There is space for significant innovation among both builders and developers (CMHC, 2022). There is also a need for policy frameworks at all levels of government that foster innovation and create regulatory environments that enable the adoption of new approaches and techniques (Lockhart & Haley, 2024).

In addition to the four thematic barriers to housing supply targeted by the HSC's funding rounds, there are many additional and emerging barriers that would benefit from innovative new solutions. Examples include skills shortages and supply chain challenges in the construction industry, zoning and regulatory challenges, governance and policy challenges, construction methods such as materials and designs, and funding and financing models (CMHC, 2022; Rauf & Frayne, 2023). A document review revealed that the HSC considered several of these barriers when selecting themes for its funding rounds.

Finding 2:

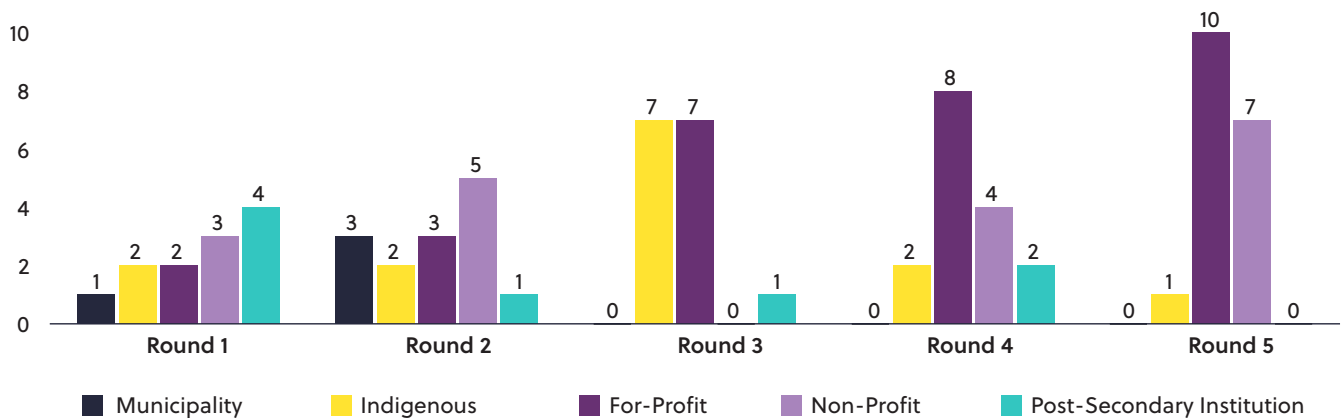
The HSC complemented other innovation programs, attracting and supporting the development of diverse ideas. This suggests the HSC advanced ideas that might otherwise have struggled to secure funding.

The HSC’s eligibility criteria were broad enough to encompass a wider range of solutions than other funding programs.

Interviewed program staff felt that funding round themes were focused yet broad enough to include diverse solutions. Some applicants agreed, noting in interviews that the HSC was the only program suitable for their solutions that focus on different housing approaches. Specifically, the program helps to address gaps in the housing industry and encourages growth and expansion in the areas of the HSC themes identified above (inconsistent and fragmented data; inefficiencies in the predevelopment phase; delays, risks, and high costs associated with construction in the north, and outdated construction techniques and systems).

There are some gaps with program reach. For example, program data demonstrated that no finalists from New Brunswick, Nova Scotia, or Saskatchewan were awarded funding. The Atlantic provinces (New Brunswick, Nova Scotia, Newfoundland and Labrador, and Prince Edward Island) were also less represented overall with only 4% of all applications coming from these provinces (see table 2 above). However, it should be recognized that funding round themes and capacity within some provinces may explain the shortage of applicants. Additionally, the HSC program staff made targeted efforts and specific communications to encourage applicants from the Atlantic provinces. The program was successful in reaching Indigenous groups and non-profit organizations; however, most finalists were for-profit organizations. Further breakdown of the types of organizations that received funding in the final round can be found below in figure 1.

Figure 1: Organizational type that received finalist funding by round.



The HSC is one of the few programs under the NHS where producing housing units is not an eligibility criterion, nor an explicit goal of the program. The HSC appears to complement other housing innovation funding programs, potentially having supported solutions that would not have found funding elsewhere. For example, some interviewees noted that their solution was generally perceived as unconventional based on criteria under other innovation funding programs, and the HSC was the only funding program that was broad enough for them to be eligible to apply.

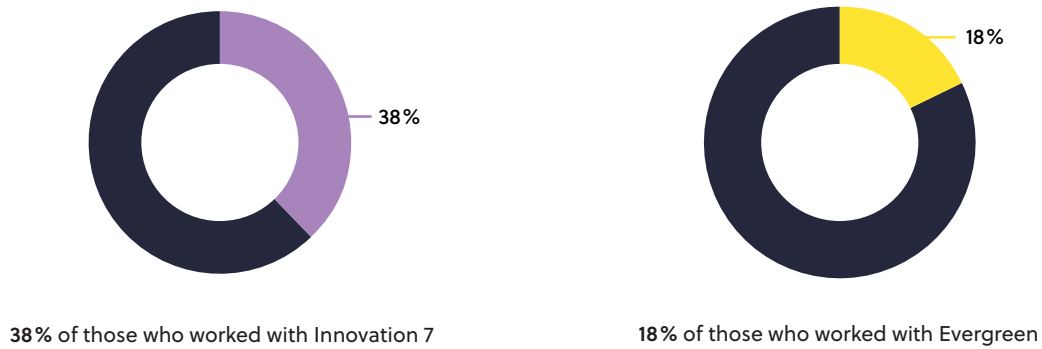
Evidence from the case studies showed that HSC-supported solutions that were:

- **Affordable or market-based**
For example, the Tapestry project developed community bonds to provide affordable housing developments with access to flexible, ready sources of capital. This approach was taken to address the challenges in securing adequate funding for affordable housing, specifically for non-profit organizations. Tapestry supported six affordable housing providers in 2024 and was able to support the preservation and development of 400 units the following year. Funding from Round 5, *Level Up*, will help to support Tapestry scale up as they plan to work with 13 organizations across Canada in 2025 to raise \$110 million in community bonds to preserve and develop 3,000 affordable housing units.
- **Technical, policy-based, or community-driven**
For example, the Vivre en Ville project developed a rental lease registry where renters could share what they pay and their tenancy agreement, enabling tenants to verify a unit's historic price. This registry is expected to help tenants within their communities. It will also benefit municipalities and the provincial government to inform policy, legislation, and enforcement, and federal policy makers and researchers by providing an additional source of data on rental market housing. Currently, Vivre en Ville has 21 official partners within and outside of Quebec. As of June 2025, it had over 82,000 units registered.
- **Focused on process over unit production**
(not evaluated based on the number of new housing units). For example, the Unité de travail pour l'implantation de logement étudiant (UTILE) project is a not-for-profit organization that was founded in 2013 to address the lack of student housing in Quebec. UTILE established five local student housing hubs to identify and address local needs and enable the creation of and support for local student housing projects. With the HSC, UTILE was able to enhance its credibility, de-risk the project, and provide funding support to enable growth. With this support, UTILE plans to expand its project to reach more jurisdictions that need support for student housing.
- **Not specific to a certain geographic area or community** (except for Round 3 *Northern Access*)
For example, the Family Services Windsor-Essex ADUsearch project aimed at addressing a knowledge and data gap by generating a centralized database with information about ADUs (additional dwelling units) that are developed but are unaccounted in terms of their contributions to the housing supply. Having this information is vital to gaining a complete understanding of the housing efforts and needs in different communities which can also inform policy direction. The database has currently mapped ADUs for 30 municipalities.

See findings 4 and 7 below for more details on each of the case studies.

The HSC's support and structure also nurtured these solutions. The objective of Innovation 7 was to support applicants from problem framing to solution formation and adjust supports based on unique applicant needs. Similarly, Evergreen was committed to providing a wide range of supports including advisory services, capacity building, and application support. Evergreen also made efforts to recruit a broad range of applicants through outreach activities and outreach events. A notable proportion of survey respondents agreed or strongly agreed that they would not have submitted an initial application without the HSC support programs, such as Evergreen and Innovation 7 (see figure 2) and enabled the development of some ideas that might not have progressed as far, or secured funding, through traditional mechanisms.

Figure 2: Proportion of survey respondents who agreed or strongly agreed they would not have submitted an initial application without the HSC support programs.



Note: Innovation 7 offered support on 2 rounds, Evergreen on 4 rounds.

Findings: Effectiveness

Finding 3:

The HSC’s flexible eligibility criteria and staged approach encouraged innovative ideas. However, selection decisions may have favoured lower-risk ideas in practice.

Applicants and program staff widely saw the HSC as supporting and encouraging innovation.

In interviews, applicants and staff noted that the three-stage structure and eligibility criteria that allowed for a wide range of solutions under the program enabled riskier, less-developed ideas to emerge. It was noted that:

- The staged program design provided a structured way for applicants with higher-risk ideas to develop and refine their solutions. Advancement to stages 2 and 3 was based on demonstrated progress.
- Flexible eligibility criteria opened funding to diverse solutions. The variety of applicants and unconventional solutions supported by the HSC reflected the program’s openness to innovation.
- The HSC encouraged entrepreneurial thinking and experimentation, standing out from traditional funding approaches.

- In the evaluation and selection process of applications, support for high-risk, innovative solutions appeared to diminish as selected projects advanced through the stages. Through interviews, some program staff noted that the HSC was more open to supporting risk during stage 1. A review of the HSC documentation highlighted:
 - inconsistencies in the interpretation and definition of innovation, along with uncertainty about acceptable risk levels, which made scoring applications challenging at times;
 - evaluator feedback for applicants often prioritized project feasibility, scalability, and long-term impact; and
 - final selection tended to favour projects perceived as more feasible, indicating some risk aversion.

“[THE] HSC ALLOWED US TO BE MORE CREATIVE AND PROVIDED SO MUCH FLEXIBILITY THAT IT ALLOWED US TO STEP BACK AND DO SOMETHING DIFFERENTLY, TO NOT NECESSARILY STAY WITHIN THAT BOX THAT WE’RE TYPICALLY IN.”

Proponent Finalist

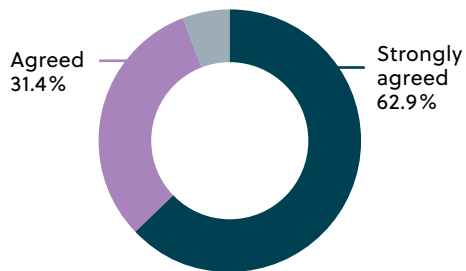
Finding 4:

The HSC’s incubation phase was seen as instrumental in strengthening applicants’ solutions, and in some cases, significantly reshaping them. This may also have helped to de-risk final funding decisions.

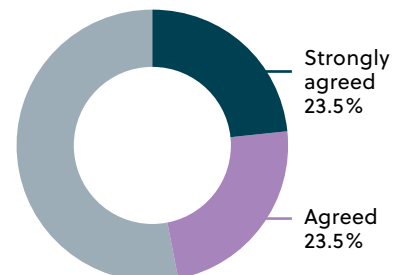
The incubation phase (also known as stage 2) across rounds 1 through 4 operated as a proof-of-concept phase where shortlisted applicants from stage 1 were given an allotted time frame, along with funding, to further develop their solutions.

Applicants and program staff viewed the incubation phase as an important aspect of the competition by offering dedicated time and resources to focus on solution development, prototyping, and stakeholder engagement. Surveyed applicants reported that these activities had a strong effect on their solution, with 94% reporting that the incubation phase helped strengthen their solution. Of those about half (47%) noted that their solution changed significantly during the incubation phase.

Figure 3: Surveyed applicants who agreed or strongly agreed that the incubation phase enabled them to strengthen their solution or change their solution significantly.



94% of surveyed respondents **agreed** or **strongly agreed** that overall, the incubation phase enabled them to **strengthen their solution**



47% of surveyed respondents **agreed** or **strongly agreed** that **their solution changed significantly** during the incubation phase

Through interviews, many program staff stated that the incubation phase had a substantial impact on final proposals, primarily by enabling further research and testing solutions. Nearly all applicants agreed, stating that one of the main benefits of the incubation phase was being able to prototype, pilot or provide proof of concept of their ideas. Just over half of the program staff reported that this phase also improved proposal evaluations by providing more robust information about solutions and helping mitigate the risk of funding underdeveloped ideas.

Table 3: Activities and achievements during the incubation phase, by selected successful applicants, documented through case studies.

UTILE	Vivre en Ville	Tapestry	Family Services Windsor-Essex
<p>Hired an assistant director of public affairs who undertook prototyping and solution implementation.</p>	<p>Conducted stakeholder consultations to help shape the objectives and design of the registry and an advisory committee was created to also inform the registry design and implementation.</p>	<p>Conducted a literature review to identify key actors and data gaps; data analysis to build the profile of 3,290 investors who purchased community bonds; and engagement sessions with affordable housing providers, retail investors, impact investment experts, and other stakeholders.</p>	<p>Developed an interactive map by using and integrating 5 data sources. Helped demonstrate that approximately 44% of appropriately zoned residential lots in Windsor, Ontario, were eligible to build an additional dwelling unit (ADU).</p>

Finding 5:

Most applicants used the HSC support programs provided by Evergreen and Innovation 7, with many reporting they had a positive impact on their solutions or final applications.

Under the HSC, supports through Evergreen and Innovation 7 were created with the goal of assisting applicants by answering questions and providing feedback to applicants, particularly for Indigenous, rural, remote and northern communities, and small to medium-sized municipalities.

The HSC hired Evergreen, a non-profit organization, to provide program supports to applicants throughout the Challenge. Table 4 below demonstrates the supports Evergreen offered for rounds 1 through 4.

Table 4: Outline of supports provided by Evergreen.

Evergreen Supports – Rounds 1-4 Initial Application Phase	Evergreen Supports – Rounds 1-4 Incubation Phase
<ul style="list-style-type: none"> • Virtual information sessions providing general application information to prospective applicants and answering questions. • Networking sessions to foster collaboration between prospective applicants, including sharing project ideas and forming partnerships. • Workshops tailored to funding round themes. • Responding to applicant questions by phone and email. 	<ul style="list-style-type: none"> • Workshops on topics including systems and design thinking; stakeholder engagement; communication; application writing; and long-term project sustainability. • Office hours with experts who delivered workshops. • Peer review sessions. • Expert advisory sessions, in areas relevant to applicants' specific projects. • Networking events and other opportunities for collaboration and learning between teams. • Newsletters to shortlisted teams. • Ad hoc support to applicants via Slack, email, and phone/video calls.

The HSC hired Innovation 7, an Indigenous-owned consulting firm, to deliver the Northern Ideas Development Program in Round 3, *Northern Access*. This initiative was added in response to feedback from earlier rounds, which highlighted the need for greater support during the initial application phase, particularly for organizations and communities with limited resources, as is the case for many prospective applicants from northern and remote communities. Eligibility for this program was limited to those located in the North or partnered with a northern organization. In Round 4, *Building for the Future*, the HSC again hired Innovation 7 to provide one-on-one supports to initial applicants through a writing centre.

Table 5: Outline of supports provided by Innovation 7.

Innovation 7 Supports – Round 3 Initial Application Phase	Innovation 7 Supports – Round 4 Initial Application Phase
<ul style="list-style-type: none"> • Focused, one-on-one application development support, tailored to the applicant, based on an initial assessment of their needs. • Information sessions and networking events, co-led with Evergreen. • Proactive outreach to northern communities and organizations to raise awareness of the HSC and of the supports available if they wished to apply. 	<ul style="list-style-type: none"> • Writing centre, offering one-on-one support to applicants to help with writing and editing of draft applications. • Networking events, co-led with Evergreen.

As shown in figure 4 below, there was significant uptake of the support programs across rounds 1 through 4 with 80% of survey respondents reporting that they used supports for their initial application. This percentage increased to 97% for their final application.

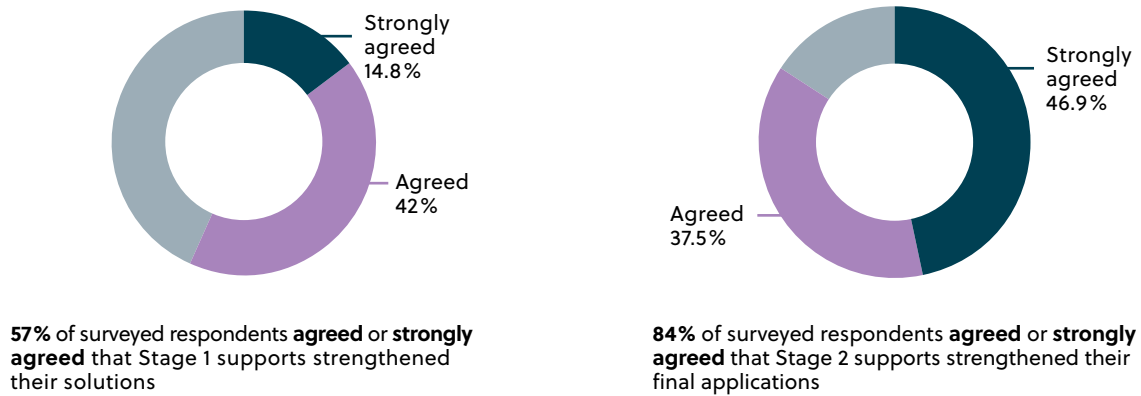
Figure 4: Percentage of surveyed applicants who used supports provided by the HSC for their initial and final applications.



In developing their initial (Stage 1) and final (Stage 2) applications, surveyed applicants shared that the most commonly used supports offered by the HSC during Stage 1 included participating in or watching a webinar (71.9%), receiving support from Evergreen (43%), and participating in a networking and collaboration session to meet other potential applicants (38.8%). At Stage 2, the most used supports included attending workshops (76.5%) and attending a session with an expert to discuss their solution (76.5%).

Overall, applicants engaged with and benefitted from the supports offered through the Challenge. Some feedback suggested that the supports were geared toward less experienced applicants.

Figure 5: Surveyed applicants who agreed or strongly agreed that supports offered by the HSC strengthened their solutions and final applications.



Specific to supports offered at the initial application stage, half of the HSC program staff interviewed reported that supports provided generic advice to applicants. They noted it was particularly useful for newer organizations, those who had less experience with funding applications, and applicants with limited capacity. Among interviewed applicants who used support programs at the initial application stage, a few highlighted that the supports appeared to be structured for organizations with no prior experience in preparing a proposal. As a result, some reported that the supports had minimal impact on their proposal submissions. By contrast, a few applicants from Round 3, *Northern Access*, who had no prior experience with proposal applications found that the initial application supports helped them edit and structure their proposals to meet program requirements.

Finding 6:

The HSC achieved its intended outcome of generating collaboration through partnerships and knowledge networks.

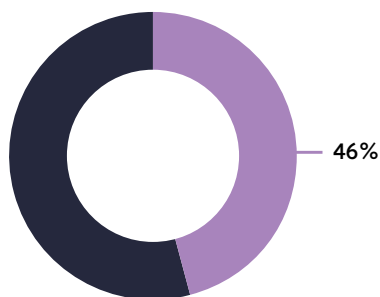
The HSC fostered partnerships and helped build knowledge networks.

One of the HSC’s expected results included generating collaboration within communities and across stakeholder groups. In interviews, many applicants stated that partnerships were essential to their solution implementation. Partners provided services, support, or feedback necessary to design and implement solutions (for example, providing land, property, or data). Program staff echoed this, with many perceiving that solutions with partnerships would broaden their reach, making them more sustainable beyond the Challenge. A review of program documents indicated that evaluators consistently identified collaboration through partnerships and engagement with end users as a key strength in HSC applications.

As seen in figure 6 below, 46% of surveyed applicants (across all three stages) reported having formed partnerships with organizations or individuals outside of the HSC as a result of their participation in the Challenge. Additionally, 40% of surveyed applicants reported having developed a larger network with others who were also working on housing solutions (see figure 7).

A few barriers were noted by surveyed applicants, including the risk of partnerships fracturing due to a lack of funding and a lack of networking events from the support programs in some provinces.

Figure 6: Percentage of surveyed applicants who reported forming partnerships with organizations or individuals outside of the HSC.



46% of surveyed applicants reported forming partnerships with organizations or individuals that were not HSC proponents

Figure 7: Percentage of surveyed applicants who reported developing a larger network while working on their solutions.



40% of surveyed applicants reported developing a larger network with others working on housing solutions

The HSC program encouraged a range of stakeholder engagement.

Through open-ended responses, surveyed applicants provided examples of the types of networks and partnerships formed under the HSC including the following:

- Increasing contact and information sharing with other organizations, Indigenous groups, housing authorities, specialists (for example, academics, architects), and governments (39.3%)
- Creating formal partnerships with universities, Indigenous groups, and housing corporations (32.1%)
- Sharing information with other HSC applicants (14.3%)



Findings: Impact

Finding 7:

The HSC projects demonstrated positive impacts by addressing information and housing needs and some finalists scaled their projects beyond local communities.

There are examples of HSC-supported solutions from Round 1 and Round 2 that appear to be very successful and show the potential to reduce barriers to housing supply/access.

All program staff interviewed felt that the HSC built capacity and contributed to broader change within the housing sector, particularly for bringing forth new ideas and resources to address a range of housing needs. Applicants from rounds 1 through 4 who received implementation funding had their project profiles shared online through the CMHC and Impact Canada websites.

To measure part of the HSC's impact, case studies were used. The approach was to select four solutions far enough along in the Challenge to have achieved outcomes, results, or to have had the finalist make adaptations to their solutions throughout the program's stages. To align with the evaluation timeline, this meant choosing solutions from Round 1, *Data Driven*, and Round 2, *Getting Started*. Table 6 outlines the impact of each of the four case studies in addition to the information provided on case studies in finding 2 and finding 4.

Table 6: Demonstrated impacts from the four case studies from Round 1 and Round 2.

CASE STUDY	IMPACT
<p>UTILE. Objective is to address the lack of affordable student housing in Quebec and propose a solution for a student housing hub. In contrast to traditional on-campus housing where the student must be attending the institution providing the housing. The hub allows students attending any of the three educational institutions involved in Quebec to find housing. Using the HSC implementation funding, UTILE established five local student housing hubs in Montréal, the city of Québec, Sherbrooke, Trois-Rivières and Gatineau. A provincial hub was also set up to identify the overall level of need and improve legislative and regulatory frameworks.</p>	<p>UTILE was able to secure three properties to build affordable student housing projects, achieving 60% of their target to acquire five properties over three years. The goal was to acquire at least one property from an educational institution. They have had discussions with three educational institutions to achieve this objective. UTILE was able to secure \$160 million over five years in capital investment by partners for student housing projects, exceeding their goal by 160%. They have also increased the knowledge and awareness of the need for student housing through collecting information on student housing needs in six regions.</p> <p>UTILE is exploring the possibility of having future hubs, including one in the Saguenay region. However, they do not intend to expand the solution beyond Quebec though they have been providing mentorship to Ontario and Nova Scotia. Their target is to pursue three to four housing projects each year. To achieve this, they will continue to invest in and develop their housing development capabilities. They will seek to secure funding from non-public sources to reduce the level of government support needed to achieve their housing projects. UTILE is planning to enhance their property management function as they anticipate going from 600 tenants to 3,000 tenants by 2028.</p>
<p>Vivre en Ville. The objective of this solution is to support renters living in Quebec through scaling up the existing Monloyer registre des loyers citoyens prototype. This registry prototype is accessible through a public website that allows renters to both upload the amount they pay for a specific unit and their tenancy agreement and to research the amount charged for a specific unit in previous years. Scaling up this prototype could also benefit renter households, municipalities, CMHC, researchers, governments, public programs, and society through providing data, knowledge and rental information.</p>	<p>As mentioned in finding 2, Vivre en Ville currently has 21 official partners who contributed to enhancing the registry in and outside Quebec. In Quebec, the Monloyer registry has over 26,000 units listed and over 80,000 units registered overall. Vivre en Ville continues to seek opportunities to expand the registry outside Quebec and Ontario with active interest in four other provinces. They are also seeking opportunities to enhance the data contained in the registry. For example, they were exploring opportunities to connect the registry to tax return information via Statistics Canada. Additionally, some private data firms have expressed interest in acquiring the registry. However, the development of the registry using public funds limits Vivre en Ville’s ability to transfer it to government entities only.</p>

CASE STUDY	IMPACT
<p>Tapestry. The objective for this solution is to support non-profit organizations with accessing private capital through community bonds. Community bonds are loans issued by charities, non-profits and co-operatives to finance socially beneficial projects. Tapestry had experience with administering community bonds, but not specific to the affordable housing sector. Therefore, this solution was specifically providing affordable housing developers with community bonds that would give them access to a flexible and readily available source of capital, while providing community members with the opportunity to support local causes.</p>	<p>Tapestry used the Phase 2 HSC implementation funding to support their demonstration projects and help six affordable housing providers (five in Ontario and one in B.C.) secure \$19.7 million in community bonds in early 2024. They were able to raise \$13 million the following year, helping to preserve or develop approximately 400 units. With funding from Round 5, <i>Level Up</i>, they plan to work with 13 organizations across Canada to raise \$110 million in community bonds to preserve or develop 3,000 units. Funding from Round 5 will enable Tapestry to continue to expand its efforts to support affordable housing with demand for community bonds growing (reportedly 60% of new inquiries on community bonds come from housing providers). Tapestry expects continued growth, and their goal is to assist 35 community housing providers with raising \$443 million through community bonds to support the preservation or development of between 17,000 to 33,400 affordable housing units by 2030. They note that community bonds provide community housing providers with system-wide transformative access to capital, reducing the timelines and complexities traditionally associated with securing funding.</p>

CASE STUDY	IMPACT
<p>Family Services Windsor-Essex. The objective of this solution was to develop an ADUSearch, a publicly accessible centralized database to collect and analyze information about additional dwelling units (ADUs) and illustrate this information on a map, to address the lack of information on ADUs and their socio-economic impact. ADUSearch would combine information from various sources to generate a comprehensive map to show the feasibility of ADUs on an individual lot (“Property View”) or for a specific dissemination area (“Neighbourhood View”).</p> <p>ADUSearch would pull together data from relevant sources, including:</p> <ul style="list-style-type: none"> • geographic information system (GIS) data from municipalities containing data related to lot sizes and existing structures; • information about municipal zoning regulations and bylaws; • Statistics Canada census data relating to dissemination areas; • Statistics Canada census data related to self-reported dwelling value; and • municipal data related to building permits. 	<p>ADUSearch is currently live with 24 communities mapped across seven provinces. These maps provide residents and policy makers with access to standardized information about existing ADUs and the potential for the development of new ADUs. “Neighbourhood View” helps inform municipal policy makers, showing the number of lots that are potentially suitable for an ADU, and, where possible, the potential tax revenue if all suitable lots were developed. “Property View” shows the potential for individuals lots to develop ADUs, including suitability for an internal or detached ADU. The site also includes links to resources for further research. ADUSearch reported there was a lot of interest in their tool with 54 municipalities meeting the project team. However, the municipalities they worked with were at the early adoption stage with respect to ADUs. Their team worked directly with these municipalities, sharing data and expertise in addition to the online interactive tool. This resulted in 17 data sharing agreements and receipt of the required data files from 30 municipalities. As part of its sustainability strategy, ADUSearch pivoted its solution away from the development of an online mapping tool as a non-profit to a for-profit company assisting homeowners wanting to build an ADU. The project team received funding from the HSC in Round 5 to support this transition to the new company, Resimate. Resimate capitalizes on the feedback from the private sector, providing builders with a centralized marketing, sales, and customer service hub, while supporting homeowners seeking to build an ADU. Resimate helps homeowners save between 3 to 6 months of construction time by collapsing front-end zoning, design and permit work and focusing on the modular construction of detached ADUs</p>

While acknowledging the positive impact that applicants were having on the housing sector, many program staff interviewed noted that because housing barriers are complex and subject to a range of external influences, it may be unrealistic to expect that several small solutions would have a broad impact on the sector. It was also noted that it can take time to see longer-term impacts from innovation-focused projects, especially ones that have an indirect impact on the housing supply.

Through a review of program documents, scalability was considered an important metric when evaluating applications. However, the ability to scale a solution does not necessarily equate to more or less success and/or impact. For example, Round 3, *Northern Access*, placed less emphasis on scalability as the impact of a solution on a local community may be a more appropriate criterion for measuring success.

Round 5 of the HSC provided additional support to some of the most successful/impactful solutions from previous rounds.

While Round 5, *Level Up*, of the HSC was out of scope for the evaluation, its objectives and design differed from previous rounds. Several solutions from rounds 1 through 4 were also selected in Round 5, including two of the above-mentioned case studies, *Tapestry* and *Family Services Windsor-Essex*, demonstrating that the HSC recognized much of the impact would come from standout solutions, and wanting to multiply their impact. Nine finalists from Round 5 were announced in November 2024, with four final game-changer prizes awarded in March 2025. Learn more about [Round 5 finalists and their solutions](#).¹

¹ <https://www.cmhc-schl.gc.ca/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/housing-supply-challenge/round-5-housing-supply-challenge/round-5-funding-recipients>

Finding 8:

The HSC influenced solutions beyond the direct funding it provided and positively impacted projects that did not receive financial support.

Some finalist solutions have already scaled beyond what was planned and funded by the HSC.

Of the survey respondents, 26% of finalists reported that their solution has already been scaled or replicated beyond the scope of their final HSC Stage 2 application. Among these, 93% reported that participating in the HSC helped support them to scale or replicate their solution. In interviews, most CMHC staff felt that there were solutions that would be successful beyond the lifespan of the HSC. Most of these interviewed staff members felt that a key factor to the continued success of these projects was having a scale that went beyond local concerns. However, as noted in the previous section, scaling should not be considered the only marker of a successful project as the program also encouraged innovations that could only provide a solution in specific locations. For example, Round 3, *Northern Access*, was focused on northern access and should not necessarily be expected to scale beyond the solution developed for some of the unique challenges of the North.

Some applicants who did not receive finalist funding reported that their experience with the HSC benefitted their solutions, even though they were not selected for further funding.

Of the survey respondents, 36% of unsuccessful applicants, including all eight respondents who went through the incubation phase, agreed or strongly agreed that applying to the HSC enabled them to strengthen their solution. Respondents who disagreed with this statement were all applicants from Round 1, *Data Driven*. Survey results also showed that the HSC could be beneficial for applicants even after their involvement with the program, with 28% that agreed or strongly agreed that their experience with the HSC helped them continue developing their solution after being denied funding from the program. Several unsuccessful applicants highlighted specific changes that have occurred such as updates to their design/features/process (18.6%), new funding (17.0%), new partners (17.0%), new facilities or organizations developed (5.1%), or carrying out field projects or pilot testing (10.2%).

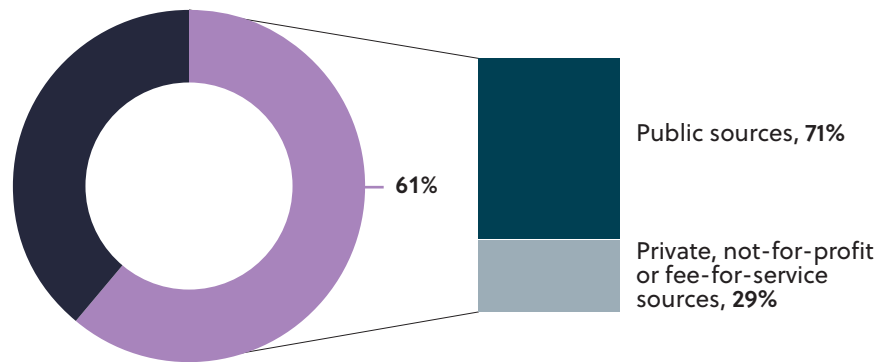
Further, 74% of all applicants reported that they did continue to develop their solution once their involvement with the HSC ended, and of those, just over half stated that they attracted investment or funding for their solution with the most common type of investment coming from private (64.9%) and public (54.1%) sources.

The HSC had some success with applicants attracting additional investment beyond the Challenge.

In interviews, many program staff reported that some applicants were successful, and a few being very successful, in attracting additional investment. Some finalists noted in interviews that while they were not receiving private investment for their solution, partners provided in-kind supports. Receipt of funding from CMHC boosted the credibility of the proposed solutions and assisted with attracting investment from other sources to help scale and/or maintain solutions.

Among surveyed applicants who reported that their solution attracted additional investment or funding, 71% reported that the source of the additional investment was public (for example, government) while 29% reported private, not-for-profit, and fee-for-service sources. Interviews with program staff also noted that the program’s focus on long-term sustainability encouraged applicants to get external funding.

Figure 8: Percentage of surveyed finalists who reported receiving additional investment toward their solution beyond funding provided by the HSC and sources of additional investment.



Note for figure 8: Respondents could select more than one source of funding. This number is specific to program finalists and differs from what is reported above (all applicants at various stages).

Findings: Efficiency

Finding 9:

Overall, stakeholders expressed satisfaction with the program’s design, implementation, and assessment process. Some challenges were reported related to tight timelines and offboarding of unsuccessful applicants.

Through interviews, most applicants expressed satisfaction with the execution of the HSC and were at least somewhat satisfied with their level of engagement with the program. In interviews, support program staff and Impact Canada staff reported that they had a strong and collaborative working relationship with CMHC, which made for a smooth design and delivery of the program. For evaluators, particularly, a review of program documents revealed they reported having a positive experience with the HSC and felt adequately supported to conduct their role through clear guidance about expectations and responsibilities, as well as opportunities to engage with fellow evaluators in consensus meetings. However, the HSC program staff and interviewed applicants agreed that the offboarding of unsuccessful applicants could have been improved. Additionally, limited feedback throughout the process was a concern cited by 24% of surveyed applicants.

Additionally, in interviews, program staff, applicants and evaluators echoed challenges with tight timelines across stages, including the following:

- A few program staff members believed additional time and support was needed to allow some applicants to succeed. However, given program constraints, certain timelines could not be extended.
- Some felt that the HSC timelines were confusing, with too many steps making it a cumbersome application process for the short timelines.

- Some applicants felt that greater lead time at the start of the Challenge would have enabled more outreach to develop partnerships. These applicants also expressed additional time during the incubation and implementation phases would have helped achieve desired objectives, rather than having to alter their solutions.

Timelines were affected by the high volume of initial applications, the impacts of the COVID-19 pandemic, and the overlap of schedules across multiple rounds. Although applicants noted that longer timelines would have been helpful, the HSC intentionally adopted tighter timelines to encourage self-selection and prioritize the most prepared applicants.

It was noted throughout the interviews with all stakeholder groups that the timelines posed a challenge with 38% of interviewees stating that the timelines should be extended. One proponent remarked that the tight timelines could affect applications and limit the ability to apply in time. Some of the interviewed CMHC staff members noted that the program was often understaffed which impacted proponent experiences and put pressure to meet timelines, with communication and decisions sometimes slow or unclear. Limited staff made it challenging for CMHC to respond to proponent requests or questions in a timely manner and slowed down decision timelines.

Challenges were also noted from support programs (Evergreen and Innovation 7). Evergreen noted that CMHC faced complex and competing priorities as Round 3, *Northern Access*, progressed, putting a strain on resources within both organizations. Evergreen's quarterly report suggested that better planning and documentation could help support a program with tight timelines such as the HSC. If the program were to continue, they specifically proposed developing a contingency plan in case unanticipated challenges arise through the course of the competition rounds or throughout the duration of the program.

In response to concerns raised by applicants and support programs about timeline challenges during the program, adjustments were made, wherever possible, to better assist applicants. Specifically, this was done with the support programs. For example, Evergreen made the following changes throughout the program:

- Scaled back their communication in general, so as not to overwhelm teams and/or ask for too much time commitment, considering the timing of fiscal year-end and when the ice roads open.
 - Extended the Northern Access Stage 2 application deadline, as teams were facing many challenges related to capacity strains, community crises, and programmatic shifts by CMHC.
- Implemented the following structural changes:
 - Scaled up support leading up to the Solutions Showcase.
 - Brought in new members to Advisory Committee with expertise in Northern and Indigenous housing, specifically for Round 3, *Northern Access*.
 - Moved launch date to accommodate one-on-one emails, phone calls.
 - In launching Round 3, *Northern Access*, added a Facebook page (in addition to the existing Slack) as that is the preferred method of communication for people in the North/remote regions.
 - Design Thinking workshop adapted with the addition of a relational engagement component to ensure accessibility for northern and Indigenous applicants.

Conclusion

The program participants see a continued need for this type of program as innovation is key to help address the supply barriers in Canada. Some of the barriers to address housing supply gaps outlined in this report include:

- fragmented or inconsistent data;
- inefficiencies in the predevelopment phase;
- delays and high costs, particularly in the North and remote locations; and
- outdated construction techniques and systems.

The HSC was designed with thematic rounds of funding for innovative solutions to address these gaps. Indeed, the program was shown to have an early positive impact with funded housing solutions to help address current housing barriers and produce scalable innovations that contribute to relieving the need. Many applicants stated that the HSC was the only program suitable for their solutions, specifically through the different thematic rounds and flexibility for accepting solutions that did not necessarily produce housing units outright.

The HSC program supported solutions that were technical, policy-based, or community-driven, focused on process over unit production, addressed needs in both affordable and market-based housing, and not specific to a certain geography or community. Case studies further highlighted the successful impact of finalist solutions developed in Round 1 and Round 2. These projects were able to successfully implement and scale their solutions beyond their local communities or initial target groups. The evaluation also found that for projects that could not be largely scaled, their curated and specific innovation still served to overcome barriers in the housing sector, specifically for solutions in Round 3 that addressed northern and remote needs.

While the HSC program was described as broad and flexible, and most stakeholders agreed that it encouraged innovative solutions, it was also noted that selection decisions may have favoured lower-risk solutions, especially as these advanced through the program stages. Also, a clear definition of innovation was needed, particularly for the application scoring. However, many applicants noted that the program was beneficial for their solution's development, even if they were not selected for funding. Particularly, the HSC's incubation phase and support programs offered by Evergreen and Innovation 7 were instrumental to fully developing a practical solution. A quarter of survey respondents noted that their solution was scaled or replicated beyond their initial scope, with most of these respondents attributing that success to the support from the HSC program.

Overall, stakeholders were satisfied with the program design, implementation, and assessment process. They mentioned the strong and collaborative relationship with CMHC's program delivery team. The program was successful in fostering partnerships and building knowledge networks, with applicants stating that this was essential for the successful implementation of their solution. However, all stakeholders expressed that the timelines for the program were a challenge. Several factors exacerbated this issue, including a higher number of initial applications than anticipated, the impacts from the COVID-19 pandemic, and the overlap of schedules across multiple rounds, and limited available resources for the HSC delivery team. Challenges with meeting deadlines were also noted by the support organizations, Evergreen and Innovation 7, noting that the program timeline should be developed with contingencies built in to mitigate impacts from unforeseen events that could hinder the program's timeline. Notwithstanding these challenges, the CMHC delivery team worked closely with the support organizations to overcome the issues that arose and provided flexibility and extensions where appropriate, leading to overall satisfaction with the program.

In light of the lessons learned from this evaluation report, five key considerations have been developed and outlined below, to help inform future program design. Key considerations have been developed without a management response and action plan (MRAP) as the program has sunset and been completed.

Key Considerations

Key consideration 1: Revisit the solutions funded through the HSC to learn from those that demonstrated strong potential in addressing housing needs and that could inform future opportunities for further investment or scaling.

The evaluation found that the solutions funded through the HSC were demonstrating a positive impact by addressing a range of information and housing needs, with some proponents scaling their solutions beyond local communities. Future programming may benefit from understanding what conditions contributed to the success of the HSC solutions successes by drawing evidence and examples from this evaluation and may also help shape emerging housing innovation efforts by building upon established solutions.

Key consideration 2: Given the expressed need for innovative solutions to address housing shortages and demand for early-stage funding consider exploring avenues to support housing innovation that focuses on a variety of emerging housing needs.

The program participants see a continued need for this type of program and a demand for early-stage funding as demonstrated in the first two rounds of funding. Future programs could explore ways to continue providing housing-focused innovation initiatives that align with a wide range of themes (such as the themes used as competition rounds under this program) or emerging needs. This approach may help maintain diversity in the types of housing solutions developed while also addressing the specific needs of different regions and priority populations.

Key consideration 3: Future innovation-focused housing programs should ensure incorporating an incubation phase or process to help test and strengthen solutions, as well as offer tailored supports to proponents.

The evaluation found that the incubation phase of the HSC was a key aspect of the program that helped proponents refine and test their solutions before full implementation or scaling. Future initiatives that aim to address housing barriers through an innovation lens could consider incorporating a similar incubation phase or process. This could help address unforeseen challenges, test prototypes, and gather real-world feedback from stakeholders and end users, ensuring proposed solutions are viable, sustainable, and responsive. The inclusion of an incubation phase or process may help improve the overall quality of solutions and provide clarity to funders when weighing the risks inherent to innovation-driven solutions versus their potential impacts.

The evaluation also demonstrated that the support offered by Evergreen and Innovation 7 during the HSC was helpful, especially for proponents who had limited capacity or no prior experience with funding applications. Offering tailored support throughout an innovation program can ensure proponents receive the resources and guidance needed to succeed.

Key consideration 4: Allow for longer timelines when solutions are being developed and implemented to accommodate the iterative and unpredictable nature of innovation.

Innovation, particularly in complex areas such as addressing housing needs and barriers, often requires trial and error, experimentation, and adaptability. The evaluation found that tight timelines throughout the HSC were a challenge. Ensuring that future timelines are adequate and appropriate could provide more flexibility for housing innovation efforts to better support the development of transformative and responsive solutions and ensuring their success.

Key consideration 5: Consider clearly defining the term *innovation* in future program documentation and application scoring matrices to enhance transparency and clarity around its meaning, and to ensure alignment with a program's risk tolerance.

During the document review informing this evaluation, the evaluation team found that there were inconsistencies in the interpretation of the term *innovation* among applicants and those scoring HSC applications. Additionally, there was uncertainty about acceptable levels of risk under the program when reviewing and selecting solutions. To promote consistency and alignment, future programming could consider clearly defining the term innovation in program documentation and scoring matrices. This may help support more consistent and objective assessments. A clearer definition could also help balance the ambition of innovative solutions with the need for feasibility, achievable outcomes, and appropriate levels of risk tolerance.

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Acronyms

ADUs additional dwelling nits

CMHC Canada Mortgage and Housing Corporation

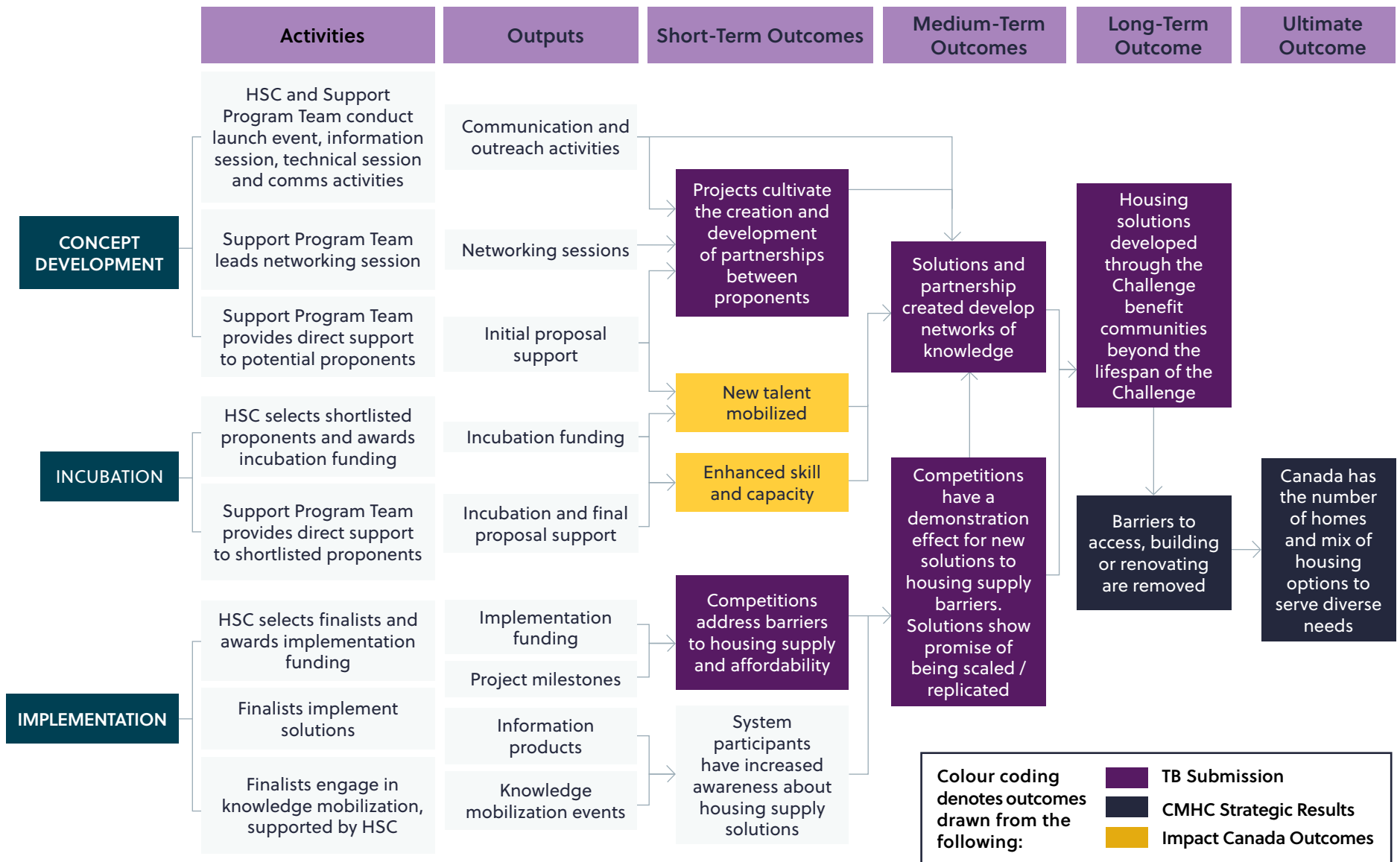
HSC Housing Supply Challenge

NHS National Housing Strategy

TBS Treasury Board Secretariat

UTILE Unité de travail pour l'implantation de logement étudiant

Annexes **Annex A: Logic Model**



Annex B: Comparison of Traditional Evaluation Versus Innovation Evaluations

	Traditional Evaluation	Evaluation of Innovation Programs	HSC Evaluation
Focus	Average achievement of results.	Outliers: Most of the impact comes from breakaway successes.	
Methodologies	Quantitative and qualitative methods. Random sampling.	Emphasis on qualitative methods, such as case studies. Intentional sampling to select outliers.	To evaluate impact , used case studies of successful outliers as our primary methodology.
Outcomes and performance metrics	Defined in advance.	Hard to define in advance, since results may be unexpected.	To evaluate relevance and effectiveness , considered the HSC’s orientation toward innovation (in addition to expected outcomes). To evaluate impact , case studies considered project-specific outcomes, seeking out unexpected results.
Interpretation of project-level failure	Projects failing to achieve outcomes are proof the program is not effective.	Projects failing to achieve outcomes may indicate the program is taking risks and is truly oriented toward innovation.	To evaluate the HSC’s effectiveness , considered that projects not on track to achieving their outcomes may be evidence that HSC is innovation-oriented.

Sources: Perrin, 2002; Stame, 2014.

Annex C: Evaluation Matrix

Questions and Indicators	Interviews	Surveys	Lit/Doc	Admin Data	Case Study
RELEVANCE					
To what extent is there a continued need for a program that generates <i>solutions</i> to housing supply barriers?					
Extent of housing supply gap in Canada			x		
Extent to which housing supply gap is exacerbated by barriers related to the funding round themes (data solutions, predevelopment processes, supply chain solutions for Northern and remote housing, innovative construction)			x		
Extent to which there are remaining or emerging housing supply barriers that would benefit from innovative new solutions in potential future funding rounds			x		
To what extent is there a continued need for a program that encourages and incubates innovation in housing supply, targeted a wide range of stakeholders?					
Extent to which there is a need for innovation in the creation of housing supply, due to ineffective current approaches or a lack of sufficient innovation in the sector			x		
Extent to which a program such as the HSC is necessary to create space for exploring innovative solutions and to solicit solutions from a wide range of stakeholders	x		x		

Questions and Indicators	Interviews	Surveys	Lit/Doc	Admin Data	Case Study
COHERENCE					
To what extent does the HSC complement or duplicate other programs?					
<p>Evidence of complementarity or duplication between the HSC and other programs that:</p> <ul style="list-style-type: none"> • support the development of housing supply solutions • generate innovation in housing supply 	x		x		
EFFECTIVENESS					
To what extent is the HSC on track to achieve its short-and medium-term outcomes?					
Perceptions of sustainability and value of third-party engagements and partnerships	x		x		
Number of proposals (i) submitted, (ii) shortlisted, (iii) which advanced to final proposals, and (iv) selected as finalists, by organization type; province/territory; rural/remote areas; organizations led by or serving the NHS priority groups				x	
Extent to which applicants perceive that they would not otherwise have submitted an initial proposal without the support programs	x	x			
Extent to which shortlisted applicants perceive that they would not otherwise have submitted a robust final proposal without the support programs and incubation funding	x	x			
Extent to which there are non-traditional partners who are underrepresented in the program, and why this may be the case	x			x	
Number of initial/final proposals submitted and approved by use of support programs		x	x	x	

Questions and Indicators	Interviews	Surveys	Lit/Doc	Admin Data	Case Study
Extent to which applicants and program staff perceive that support programs influenced the quality of initial proposals	x	x			
Extent to which applicants and program staff perceive that incubation funding and supports enabled final applicants to develop more feasible and scalable implementation plans	x	x			
Extent to which applicants feel their skill and capacity has been enhanced by participating in the HSC, and by engaging with the support programs	x	x			
Number of competitions launched				x	
Number of projects implemented				x	
Extent to which implemented solutions are meeting milestones				x	
Extent to which implemented solutions show promise of successfully meeting their specific objectives around addressing barriers to housing supply and affordability	x		x		
<p>Perceptions of awareness of the HSC housing supply solutions by:</p> <ul style="list-style-type: none"> • system participants reached by outreach activities (if feasible) • unsuccessful initial applicants • unsuccessful shortlisted applicants • finalists 		x			
Extent to which the HSC has disseminated learnings about housing supply solutions to a range of system participants			x		
Success and level of engagement of the HSC campaigns to disseminate learnings about housing supply solutions			x		

Questions and Indicators	Interviews	Surveys	Lit/Doc	Admin Data	Case Study
Perception of increased collaboration and information exchange as a result of participation in the HSC process by system participants reached by outreach activities (if feasible); unsuccessful initial applicants; unsuccessful shortlisted applicants; finalists		x			
Perceptions of increased understanding of housing needs and supply gaps as a result of participation in the HSC process by system participants reached by outreach activities (if feasible); unsuccessful initial applicants; unsuccessful shortlisted applicants; finalists		x			
Extent to which the HSC is continuously disseminating learnings about housing needs and supply gaps from the program to a range of system participants			x		
Extent to which networks of knowledge built through the HSC are contributing to system-level change in the housing innovation sphere	x				x
Number of implemented projects that are attempting to be scaled or replicated in other jurisdictions or show promise of being scaled or replicated (e.g. interest expressed by other jurisdictions, partnerships forged, etc.)		x	x		
Number of implemented projects that have attracted additional investment		x	x		
Number of solutions showcased on a public platform, and extent to which these platforms generated interest	x		x		

Questions and Indicators	Interviews	Surveys	Lit/Doc	Admin Data	Case Study
To what extent does the HSC generate innovation through its design and delivery?					
Extent to which applicants would not otherwise have identified, sought to develop, or found funding for their solution without the supports offered through the HSC	x	x			
Extent to which the HSC encourages truly innovative but potentially risky solutions	x		x		
Proportion of finalists that are not on track to meet their objectives because their high-risk solution did not succeed	x			x	
For finalists that are not on track to meet their objectives, extent to which the HSC has attempted to learn from these initiatives	x	x			
IMPACT					
Do some solutions show promise of contributing to the HSC’s long-term and ultimate outcomes?					
<p>Number of implemented solutions that show promise of broader success, as measured by:</p> <ul style="list-style-type: none"> perceived legitimacy, relevance, feasibility, and priority of proposed solutions by system participants degree to which applicants are engaging with potential end users degree to which applicants are forging partnerships and collaborations with system participants extent to which applicants are capturing and acting upon learnings extent to which proposed solutions are new or different, that is, truly innovative openness of applicants to serendipity and unexpected findings 	x	x	x	x	x

Questions and Indicators	Interviews	Surveys	Lit/Doc	Admin Data	Case Study
Program staff / program support partner perceptions of which implemented solutions show promise of broader success	x				x
<p>Success studies of implemented solutions that show promise of broader success, including:</p> <ul style="list-style-type: none"> barriers addressed by the implemented solution; perception of likelihood of success by stakeholders results produced by the solution; existence of unintended outcomes anticipated impact on housing supply; stakeholder interest in scaling or replication adaptations made since the initial and final proposals; existence of pain points, and strategies for addressing these 			x		x
EFFICIENCY					
Are there more efficient ways to design and deliver the HSC?					
Comparison of planned versus delivered program (including support programs), and identification of adaptations between rounds	x		x		
Stakeholder perceptions of theme selection, competition design, and program delivery (including support programs), including strengths, pain points (e.g. unforeseen challenges or delays), and whether adaptations have been successful	x				
Extent to which the HSC has attempted to and been successful at leveraging federal funding to attract private investment	x		x		

Questions and Indicators	Interviews	Surveys	Lit/Doc	Admin Data	Case Study
<p>Satisfaction of applicants with:</p> <ul style="list-style-type: none"> • concept development phase: length of phase; support program; fairness and transparency of application process; efficiency of application process • prototype development phase: length of phase; amount of incubation funding provided; fairness and transparency of final application process; efficiency of final application process • implementation phase: amount of funding; support provided; fairness and transparency of reporting processes; efficiency of reporting processes; availability of ongoing support from the HSC 	x	x			
<p>Extent to which the design of the HSC program is innovative, and how this has impacted the program’s ability to achieve its goals</p>	x		x		

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Alternative text and data for figures

Figure 1: Organizational type that received finalist funding by round.

Applicant Type	Round 1	Round 2	Round 3	Round 4	Round 5
Municipality	1	3	0	0	0
Indigenous	2	2	7	2	1
For-Profit	2	3	7	8	10
Non-Profit	3	5	0	4	7
Post-Secondary Institution	4	1	1	2	0