
SUBJECT

HOUSING ACCELERATOR FUND

ISSUE

What is the aim of the Housing Accelerator Fund?

RESPONSE

- **The COVID-19 pandemic has made it clearer than ever that affordable housing is key to Canada’s recovery. That is why the Government of Canada is working to ensure that every Canadian has a safe and affordable place to call home.**
- **Budget 2022 announced \$4 billion in funding until 2026-27 to launch the Housing Accelerator Fund (HAF). The target is to create at least 100,000 net new housing units over the course of the initiative.**
- **The HAF will provide incentive funding (contributions) to local governments to encourage local initiatives that remove barriers to housing supply, accelerate the growth of supply and support the development of complete, low-carbon and climate-resilient communities which are affordable, inclusive, equitable and diverse.**
- **The HAF is about driving transformational change and creating the conditions for more housing supply over the short and longer term. The HAF is intended to incent applicants to commit to change, show progress, and be provided with funding in return.**
- **The Housing Accelerator Fund will encourage local governments to implement lasting initiatives to make housing more affordable to Canadians.**

BACKGROUND

- The Housing Accelerator Fund will provide funding to local governments to incentivize local initiatives that remove barriers to housing supply, accelerate the growth of supply, and support the development of complete, low-carbon and climate-resilient communities, which are affordable, inclusive, equitable, and diverse.
- The Housing Accelerator Fund will encourage local governments to implement lasting initiatives that reduce barriers to housing supply and development approvals, and over the long run, make housing more affordable to Canadians.
- Local governments within Canada, including First Nations, Métis and Inuit governments who have delegated authority over land use planning and development approvals are eligible to apply to the Housing Accelerator Fund. This includes cities, towns, hamlets, etc. In the absence of a municipal-level authority, a regional district or province or territory that has authority for land use planning and development approvals may also apply to the Housing Accelerator Fund.
- The Housing Accelerator Fund is an application-based program with one application window. After the application window closes, CMHC will assess and prioritize applications for funding and determine successful applicants later in 2023.
- Local governments interested in applying to the Housing Accelerator Fund must meet program requirements and submit an action plan as part of their application. The action plan must detail the local government's commitment to a housing supply growth target, alignment to priorities, and initiatives they plan to undertake to increase and speed up the supply of housing in their communities.
- Approved applicants will receive an upfront advance to begin to implement their action plan. The remaining approved funding will be disbursed in installments annually over 3 years until 2026-27, provided the applicant adheres to the terms and conditions of the contribution agreement.
- A critical distinction between the Housing Accelerator Fund and other CMHC administered programs is that the Housing Accelerator Fund is not directly underwriting or funding housing projects. The funding intends to serve as an incentive payment to local governments to pursue initiatives that address systemic issues that prevent housing supply.