

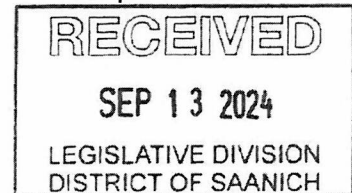
The Corporation of the District of Saanich



Report

C/W-September-23-2024

To: Mayor and Council
From: Brent Reems, CAO
Date: 9/13/2024
Subject: Housing Accelerator Fund



RECOMMENDATION

That Council receive this report for information.

PURPOSE

The purpose of this report is to provide information to Council and the public about the disbursement of funds provided to the District by the Canadian Mortgage and Housing Corporation ("CMHC") through the Housing Accelerator Fund ("HAF").

DISCUSSION

Earlier in 2024, CMHC informed the District that the District's HAF application was successful and that CMHC will provide \$14,936,100 in funding over a four-year period to implement the District's action plan submitted as part of the application. Previous to this, the Province of BC also informed the District that it was granting just over \$712,442 to the District representing its share of a \$51M disbursement to local governments across the province intended to be used to implement new provincial legislative requirements related to housing. The total of the two funds is \$15,648,542. The federal funding will be disbursed in four separate advances of \$3,734,025.18, the first of which has been received by the District.

At the time the funding was disbursed to the District, the funding announcement was embargoed and the District did not have a mechanism to publicly report about receipt and use of the funds. Accordingly, this report is being brought to provide information to Council and the public about receipt of the funds and the plan for disbursement.

Under the terms of the grant funding agreement between the District and CMHC (the "Agreement"), the District has made commitments to complete initiatives in an Action Plan, which include:

1. Neighbourhood Homes Study
2. Inter-departmental development process review
3. Preparation of Saanich-owned land for housing
4. Infrastructure and service planning
5. Primary growth area/rapid transit corridor implementation
6. Rapid deployment of non-market housing
7. Implementation of new zoning parking standards

8. Digitizing the development application process

Senior Staff from relevant Departments conducted a detailed review of the Action Plan and developed a funding plan designed to deliver on its objectives. The plan is set out below in Table "1." It includes a mix of project funding (which will be used to fund expenditures such as consulting services) and staff positions. The staff positions below are inclusive of all expenses and are based on 3-year hiring terms that align with the term of the HAF Agreement (the Agreement is four years in duration, but the last year of funding is not certain and tied to performance).

Table 1

Department	Item	Funding required
Administration	<u>Staffing:</u> Housing Advisor/Project Director	\$540,000
Corporate Services	<u>Staffing:</u> HR Associate – Recruitment Specialist	\$423,720
IT	<u>Projects:</u> Digitization – contingency hold	\$1,000,000
Legislative and Protective Services	<u>Projects:</u> Digitization of Records (cost included with Planning below) Preparation of Saanich-owned lands <u>Staffing:</u> Commercial Permit Coordinator Commercial Building Official Customer Service – File Clerk	- \$500,000 \$878,322
Planning	<u>Projects:</u> Amenity Cost Charge Bylaw Zoning Bylaw Modernization Digitization of Records <u>Staffing:</u> Sr. Planner – Current Planning Sr. Planner – Plan Implementation Sr. Planner – CCV Implementation Sr. Planning Clerk	\$200,000 \$400,000 \$250,000 \$1,493,340
Engineering	<u>Projects:</u> Development of Parking Standards McKenzie Rapid Bus Implementation DCC Update Water/Sewer Modeling for Density Impacts Cost Sharing of Excess Infrastructure Upgrades	\$200,000 \$2,000,000 \$150,000 \$526,000 \$80,000

Department	Item	Funding required
	Updating tools/guidance documents with Building Inspections	\$50,000
	Advance District-owned Lands for Development	\$100,000
	<u>Staffing:</u> Project Manager	\$520,005
PRCS	<u>Projects:</u> Tree Protection Bylaw review	\$75,000
	Integrate housing mandates with community and Council expectation with Biodiversity/Conservation and Urban Forest Strategies	\$50,000
	Development education and materials related to housing and the Biodiversity/Conservation and Urban Forestry Strategy as it relates to housing	\$15,000
	Priority Land Acquisition	\$1,000,000
	<u>Staffing:</u> Change Lead Environmental Planner Development Coordinator Parks Clerk	
		\$1,010,951
	Totals	\$11,462,338
	Funding Available	\$15,648,542
	Funding Remaining	\$4,186,204

Several of the operational positions noted above will support the work of Action 2 – Interdepartmental development approval staffing review – as they are necessary to increase efficiency of the District’s approvals process and to ensure there is capacity to deliver on process improvement implementation and to ensure the new process functions as effectively as possible. It should also be noted that the Provincial portion of the funding of \$712,442 can be used broadly for purposes related to implementing new provincial housing legislation. The operationally-focused positions fall into this category, particularly the HR Recruitment Specialist which has been identified as a critical position to support the increased need for hiring represented by this list.

The list above includes setting aside \$1,000,000 for parkland acquisition in high priority areas. This is being recommended for opportunities that arise related to acquiring greenspace to support quality of life in areas that have been identified for density. In fact, it will operate more like a contingency holding, as staff will only move forward with this kind of expenditure if there are strong connections to supporting the Action Plan items.

The list also includes \$1,000,000 for IT digitization contingency. There are many active projects related to improving our development review process that are being supported and driven by IT through the delivery of new tools. These projects are funded through the IT capital budget.

However, as work progresses, we expect that additional opportunities for efficiencies through IT service delivery will arise, and holding funds specifically for this purpose would allow the District to capitalize. The work IT is doing supports the Action Plan and delivery of housing and is essential to process improvement efforts.

Staff are of the view that it is prudent to reserve a portion of the funding for issues that arise as work and time progress. We expect the landscape to shift and priorities to arise that are not currently in contemplation. In addition, the final \$3,734,025 of HAF funding is not guaranteed at this time. For that reason, we have not identified costs for the total funding envelope and instead recommend that we hold a portion of the funds (approximately \$4M) as unallocated to remain adaptable to demands and shifting priorities as they arise.

ALTERNATIVES

1. That Council approve the recommendation set out in this staff report.
2. That Council provide alternate direction to staff.

FINANCIAL IMPLICATIONS

Because the HAF funding is a grant, the expenditures outlined in this report are not directly related to the Financial Plan. There is an indirect link, however, as funding the operationally-focused positions through HAF funding will alleviate the need to fund these or similar positions through the budget process. Accordingly, there is no impact to taxation as a result of disbursements of the funding.

CONCLUSION

The information on funding disbursement is provided for Council's information.

Prepared by:



Brent Reems

CAO