

Date: 2023-09-12

Subject: **Recommendation Report – Response to the Minister of Housing, Infrastructure and Communities of Canada Letter and Update to the City of Brampton’s Application to the CMHC Housing Accelerator Fund**

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Report Number: Planning, Bld & Growth Mgt-2023-784

Recommendations:

1. That the report from Melinda Yogendran, Policy Planner I, Integrated City Planning to the Council Meeting of September 13, 2023 re: **Recommendation Report – Response to the Minister of Housing, Infrastructure and Communities of Canada Letter and Update to the City of Brampton’s Application to the CMHC Housing Accelerator Fund**, be received; and
2. That Council endorse the updates to the City’s application to the CMHC Housing Accelerator Fund, and direct staff to revise the application to include:
 - i. the addition of a milestone to initiate the process of permitting four units as-of-right along transit corridors and to explore the expansion of permissions within the timeframe of the Housing Accelerator Fund;
 - ii. the addition of a milestone to amend policies in Brampton Plan to enable four-storey buildings within an 800m radius of support corridors; and
 - iii. the addition of a milestone to reduce restrictions on ARUs, including increasing the maximum Gross Floor Area (GFA).

Overview:

- **On April 7, 2022, the federal government’s housing corporation – Canada Mortgage and Housing Corporation (CMHC) – announced the “Housing**

Accelerator Fund” to provide funding to local governments to boost housing supply across Canada.

- **The application is required to include a minimum of 7 initiatives that will boost housing supply, a housing supply growth target over a 3-year period, and additional targets to identify the types of housing that are projected to be permitted by the City.**
- **On May 31, 2023, Council approved the City’s application to the CMHC Housing Accelerator Fund ([CW203-2023](#)), attached as Appendix 1 to this report. The City of Brampton submitted the Council approved application to CMHC on June 13, 2023.**
- **Brampton’s application includes eight initiatives, which are key actions to support the delivery of new housing in the city.**
- **Following the City’s submission, Councillor Palleschi, Councillor Toor, Mayor Brown, and City staff met with the office of the Minister of Housing, Infrastructure and Communities (hereby referred to as “the Minister’s office”) to discuss the City’s application, Action Plan, and any proposed refinements. Subsequently, Mayor Brown received a letter from The Honourable Sean Fraser (hereby referred to as “the Minister”) outlining three requests for the City to consider, that would improve Brampton’s application and go further than what is currently being proposed.**
- **Following discussions with the Minister’s office, and based on the letter received from the Minister, City staff recommend the following be included and revised in the City’s application:**
 1. **Addition of a milestone to initiate the process to permit four units as-of-right along transit corridors and explore expanding permissions during the time frame of the HAF;**
 2. **Addition of a milestone to amend policies in Brampton Plan to enable four-storey buildings within an 800m radius of support corridors;**
 3. **Addition of a milestone to reduce restrictions on ARUs, including increasing the maximum GFA.**

Background:

CMHC Housing Accelerator Fund

The Canada Mortgage and Housing Corporation (CMHC) – the federal government’s housing corporation – announced the Housing Accelerator Fund (HAF) on April 7, 2022, with the overall objective to accelerate housing supply. The HAF is an application-based fund that will offer support to municipalities to drive transformational change within the sphere of control of the local government regarding land use planning and development approvals to achieve their objective. With the launch of the HAF, \$4 Billion in funds are available to local authorities across the country.

The application required the provision of an “Action Plan” which had to include and is evaluated based upon the following:

- A **minimum of seven initiatives** that the City will undertake over the next three years to grow housing supply and speed up housing approvals.
- A **housing supply growth target**, based on two projections over a three-year period.
 - The first projection is the total number of permitted housing units projected to be permitted at the City of Brampton **without** support from the HAF.
 - The second projection is the total number of housing units projected to be permitted at the City **with** support from the HAF.
- Additional targets set to identify the **type of housing supply** that is projected to be permitted at the City with support from the HAF.

Summary of Brampton’s Application for Funding

On May 31, 2023 Council approved the City’s application ([CW203-2023](#)), attached as Attachment 1 to this report. Subsequently, the application was submitted to CMHC on June 13, 2023.

The application contained an Action Plan consisting of eight initiatives to support the delivery of new housing supply in the city. The eight initiatives included:

1. Incentive Programs
2. Implementing Inclusionary Zoning
3. Unlocking Growth Potential via Rapid Transit
4. Revised Parking Standards
5. Encouraging Detached Additional Residential Units
6. Encouraging Missing Middle Units in Existing Neighbourhoods
7. Pre-Zoning in Strategic Growth Areas
8. Infrastructure and Servicing Capacity Planning

Current Situation:

Summary of Letter from the Ministry of Housing, Infrastructure and Communities

Following the submission of Brampton's application, Councillor Palleschi, Councillor Toor, Mayor Brown, and City staff met with the Minister's office to discuss Brampton's application and current housing crisis. Subsequently, on September 6, 2023, Mayor Brown received a letter from the Minister outlining three requests for Brampton to consider, that would improve the City's application and go further than what is proposed in the City's eight initiatives as currently drafted (Attachment 2).

This report was written to summarize the requests put forward by the Minister, outline the City's response, and propose any additions or revisions to Brampton's current application.

The three requests put forward by the Minister are:

- 1) *That the City revisit Initiative 6 (Encouraging Missing Middle Housing in Existing Neighbourhoods) and the City's decision on the number of units that can be built on a single lot as-of-right, citywide. The Minister requests modifying the number to be even more ambitious, by increasing it from three units to four units.*

City Response: Currently, three units are permitted on a single residential lot as-of-right, per the Bill 23 requirements. City staff could initiate the process to permit four units as-of-right along transit corridors, including along the city's support corridors. Support corridors are defined in Brampton Plan as local bus routes that work as transit spines that provide connectivity in Neighbourhoods to the City's Strategic Growth Areas, supporting gentle intensification and promoting missing middle housing typologies. Additionally, four units could be allowed as-of-right along Corridors and Boulevards, which are locations serviced by rapid transit. This approach ensures public and active transportation connections, thereby reducing parking concerns. Opportunities to expand these boundaries to other areas of the city, including the walkshed area around support corridors identified in the second proposed revision, can be explored within the time frame of the HAF (over the next three years) and in alignment with other initiatives outlined in the City's HAF application. This approach will align and connect with Request #2 and support the delivery of more diverse housing forms beyond single-detached, semi-detached and townhouse typologies.

- 2) *That the City expand the reforms introduced through Brampton Plan, which enable four-storey buildings within a 400-metre radius of Brampton's support corridors, to an 800-metre radius, which is generally a 10 to 15 minute walk from transit.*

City Response: The City has set the framework to enable up to four storeys within a 400-metre radius of our support corridors through Brampton Plan. The City could

make changes to Brampton Plan policies to increase this 400 metre radius up to 800 metre wherever possible (based on site specific and contextual analysis) thereby expanding this permission within a greater walkshed area of the city. If Council is comfortable with this proposed revision, staff can integrate this change in the final Brampton Plan ahead of adoption in November 2023.

- 3) *That the City reduce restrictions on Additional Residential Units (ARUs). For example, Brampton should consider expanding the current maximum floor space of 35 square metres to at least 100 square metres for Garden Suites.*

City Response: The review and revision of the ARU regulations to expand the existing provisions could be completed through the Comprehensive Zoning By-law Review, which is currently ongoing and is planned to be finalized in 2024. This will ensure the appropriate analysis has been undertaken as part of this work, to address effectively any public concerns raised during the development of the current ARU regulations.

Recommendations:

Based on the requests identified in the Minister's letter, City staff recommend that Council endorse the following additions to Brampton's Housing Accelerator Fund Application and Action Plan:

	Current Policy	Addition to Application to Amend Current Policy
1.	Single-detached, semi-detached, and/or townhouse lots may be permitted up to a maximum of two Additional Residential Units (as either two attached units or one attached unit and one garden suite) per lot, for a total of three units per lot.	Staff propose the addition of a milestone to <u>Initiative 6</u> (Encouraging Missing Middle Units in Existing Neighbourhoods) to initiate the process of permitting four units as-of-right along transit corridors and to explore the expansion to other areas of the city within the time frame of the HAF.
2.	Through Brampton Plan (the City's new Official Plan), the City will enable up to 4 storeys within a 400m radius of the city's support corridors (identified on Schedule 1 of Brampton Plan).	Staff propose the addition of a milestone to <u>Initiative 6</u> (Encouraging Missing Middle Units in Existing Neighbourhoods) to amend the policies in Brampton Plan and increase the radius up to 800m, wherever possible based on site specific and contextual analysis, to expand this permission to a greater walkshed area of the city.

3.	The current Zoning By-law provisions allow for Garden Suites to be a maximum size of 35 sq. m. in most residential zones.	Staff propose the addition of a milestone to <u>Initiative 5</u> (Encouraging Detached ARU's) to explore opportunities to decrease restrictions on detached additional residential units (Garden Suites) through the Comprehensive Zoning By-law Review, namely increasing the maximum GFA up to 100 sq. m.
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Corporate Implications:

Financial Implications:

There are no direct financial implications associated with this report. All additions to the City's application form will be funded directly from the CMHC Housing Accelerator Fund. The funding received by the City under the Housing Accelerator Fund presents an opportunity for the City to advance significant work to support growth and development in Brampton, and utilize financial support from the federal government to drive transformational change and create the conditions necessary for more housing supply over the short and long-term.

Other Implications:

There are no other implications with this report.

Strategic Focus Area:

This report directly aligns with the strategic focus area "Growing Urban Centres & Neighbourhoods," as the City's application for funding and the proposed additions to the application included in this report focus on enabling additional housing growth, creating complete communities, and improving livability and prosperity for Brampton's residents.

Conclusion:

This report presents three requests from the Minister's office on Brampton's HAF application and proposes three additions to the City's application for Council endorsement based on feedback received from the Minister.

The proposed additions to the City's Housing Accelerator Fund application demonstrate Brampton's commitment to grow housing supply and increase the number of housing units that are permitted at the City in order to achieve both Provincial and Federal housing targets in Brampton.

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Attachments:

- Attachment 1 – City of Brampton Application Form for CMHC Housing Accelerator Fund
- Attachment 2 – Letter to Brampton_Housing Accelerator Fund Application_Sept 6