Agenda – Executive Policy Committee – March 18, 2025

REPORTS

Item No. 11 Annual Report on Housing Accelerator Fund Initiatives

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

That the report be received as information.

DECISION MAKING HISTORY:

COUNCIL DECISION:

On March 21, 2024, Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That an expenditure of up to $27.5 million in 2024, funded by the first instalment of the HAF, including:

    A. $25 million towards Action Plan Initiative #3, the capital grant program; and

    B. $2.5 million for staffing and consultants to develop and deliver the HAF program.

2. That the City Solicitor/Director of Legal Services be instructed to prepare a By-law for the Capital Grant Program in accordance with this report and bring same directly to Council for enactment.

3. That the Public Service report back before the end of 2024 with a plan to implement the remaining Council-approved HAF Action Plan Initiatives not included in Recommendation 1 for future years of the program.

4. That the Public Service be directed to report back to Council by March of each year on the outcomes from the Council-approved HAF initiatives.

5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the forgoing.

ADMINISTRATIVE REPORT

Title: Annual Report on Housing Accelerator Fund Initiatives

Critical Path: EPC – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Rappaport	M. Pittet, Acting CAO	T. Graham	M. Pittet, Acting CAO

EXECUTIVE SUMMARY

On December 5, 2023, the Government of Canada, through the Canada Mortgage and Housing Corporation (CMHC), entered into an agreement with the City of Winnipeg for $122.4 million in funding from the Housing Accelerator Fund (HAF). The HAF funding is contingent upon the City achieving a total of 14,101 building-permitted housing units over a three-year period. This includes 3,166 net new units specifically enabled by HAF initiatives, with the remaining 10,935 units expected to be permitted without HAF support.

In March 2024, Council directed the Public Service to report back in March 2025 with an annual update on the Council-approved HAF Initiatives. In December 2024, Council approved an annual work plan for 2025 and associated budget. This report provides an update to the December 2024 report on the status of all HAF initiatives.

In December 2024, the City submitted the first annual report to CMHC outlined progress towards milestones, as was reported to Council in December 2024, and units permitted through building permits in 2024. The City surpassed annual units targets as outlined in the original application to CMHC, which were estimated to be 3,733 units in 2024; 4,788 units in 2025; and 5,580 in 2026. The City received the second installment of $30.6 million funding in January 2025.

In December 2024, Council directed a report before the end of 2025 to plan for future years of the program. The Public Service will ensure that the City will be financially protected by contractual agreement if future transfers do not occur. In the interim, the Public Service (with Council approval and respecting the agreement) will continue to seek partnerships with the other governments and stakeholder organizations, to leverage HAF initiatives to support, construct, and maintain affordable housing projects across the City.

RECOMMENDATIONS

That the report be received as information.

REASON FOR THE REPORT

On March 21, 2024, Council directed the Public Service to report back to Council by March of each year on the outcomes from the Council-approved HAF Initiatives.

IMPLICATIONS OF THE RECOMMENDATIONS

Ongoing activities under the HAF agreement are underway and will continue until such point the agreement comes to end. There are no implications from recommendations as the report serves as a status update to Council. Council approved a fulsome report on December 12, 2024, so this report provides an additional status update.

HISTORY/DISCUSSION

The Housing Accelerator Fund (HAF) is a $4 billion national housing program launched in 2023 by the Government of Canada through the Canada Mortgage and Housing Corporation (CMHC). This program provides funding to local governments to support the creation of 100,000 net new permitted housing units during the three-year duration of the program.

In December 2023, CMHC approved a total allocation of $122.4 million for Winnipeg under HAF.

Winnipeg's allocation is based on achieving building permit approvals for an additional 3,166 net new housing units over a three-year period. The 3,166 additional housing units will be incremental to the 10,935 units that are projected to be permitted without HAF, which will result in a total growth target of 14,101 permitted housing units in Winnipeg over the next three years. The agreement also requires the City to meet the following housing targets:

Table I: HAF Agreement Unit Targets

Unit Goals	Estimated without HAF	HAF Incented Units	Total Unit Target with HAF
Total	10,935	3,166	14,101
Single-detached	3,726	267	3,994
Rapid Transit	4,996	2,533	7,529
Missing Middle	852	174	1,026
Other - Multi-family	1,361	192	1,553
Affordable Units**	3%	931	9.60%

**Affordable housing units equal the percentage change in affordable units times the total "with HAF" units projected.

See Appendix I for definitions of housing types per the CMHC HAF Agreement.

HAF funding is being provided to the City in four equal annual instalments of $30.6 million, which started in December 2023. The first annual installment was unencumbered. The second

and third payments are primarily based on advancing milestones and initiatives by the deadlines, with permit counts an indicator if the total permit target is on track to be realistically achieved or if proactive measures are required in advance of the final year. The fourth installment will be earned by reaching the target of 14,101 building permits by December 5, 2026.

In December 2024, staff submitted the first annual report to CMHC outlined progress towards milestones, as was reported to Council in December 2024, and units permitted through building permits in 2024. The City surpassed annual units targets as outlined in the original application to CMHC, which were estimated to be 3,733 units in 2024; 4,788 units in 2025; and 5,580 in 2026.

Table II: 2024 HAF Net New Units Reported

Unit Goals	**2024 Units Permitted**	**Total Unit Target by December 2026**	**Remaining**
Net New Total	**4,307**	**14,101**	**9,794**
Single-detached	580	3,994	3,414
Rapid Transit	1,389	7,529	6,140
Missing Middle	850	1,026	176
Other - Multi-family	1,488	1,553	65
Affordable Units	244 (6%)	9.60%	1,109

CMHC approved the report and the second installment of $30.6 million was received in January 2025. The Public Service continues to track progress towards achieving unit targets and can adjust action plans as necessary to ensure success.

In December 2024, Council approved the 2025 workplan and associated budget. As potential political changes at the federal level may affect the program, Council approved an approach that focused year-two funding on HAF initiatives with the highest projected impact on both the City's existing housing priorities and its required building permit approvals under the CMHC and City of Winnipeg HAF agreement. Planning and budgets for future years will come back to Council for approval before the end of 2025.

The following summaries provide an update on work completed since December 2024 in all initiatives.

Initiative #1 – Rapid Zoning By-law Amendments

The Rapid Zoning By-law Amendments includes a series of changes to the City's zoning by-laws to help speed up housing development. This process is divided into four steps, or "buckets," which aim to improve how zoning rules are applied in areas covered by the Winnipeg Zoning By-law No. 200/2006 and the Downtown Winnipeg Zoning By-law 100/2004.
These changes are part of the City's broader plans to make housing development easier, including the Housing Accelerator Fund Agreement, Complete Communities Direction Strategy 2.0 (CCDS 2.0), and Council's Strategic Priorities Action Plan (SPAP).

Bucket 1 and 2 were approved by Council in 2024.

The third bucket has been divided into two parts; both of which align with the City's HAF goals and the Council HAF motion from November 23, 2023:

> Bucket 3.1 (Malls and Corridors) makes it easier to build multi-unit homes along commercial corridors and mall sites. This was discussed at the Public Hearing on November 19, 2024, and approved by Council on December 12, 2024. The PDO came into effect on January 31, 2025, the same day a Users' Guide was published including nine conceptual plans on mall and corridor sites across the almost 2,600-acre planning area.
>
> Bucket 3.2 (Infill Housing) will make it easier to build up to four units on a single property city-wide, and up to four storeys within 800 metres of high-frequency transit routes. Public information sessions for these amendments will be held on March 17, 18, and 19, 2025, and will be brought forward at a public hearing in spring 2025.

Bucket 4 will be a full re-write of both of the City's zoning by-laws. This will involve a comprehensive process including significant public and stakeholder consultation. Largely contingent on funding from year three and four, remains subject to future rounds of HAF funding. It is expected to be initiated in late-2025 and be completed by late-2027.

Initiative #2 – Rapid Amendments to Local Area Plans (LAP)

This initiative aims to accelerate the pace of housing construction and increase housing supply and affordable units in existing neighbourhoods. Forty-one local area plans have been reviewed and amendments categorized into two phases.

The first phase is focused on updating local area plans (LAP) where necessary to align with the major zoning changes occurring as part of Initiative 1. LAP amendments were approved by Council along with Zoning amendments to Malls & Corridors ("Bucket 3.1") and an additional set of LAP amendments will come forward along with Infill considerations ("Bucket 3.2").

The second phase involves other amendments to local area plans that can enable more housing in planned neighbourhoods, but are outside the changes occurring as a result of Malls & Corridors and Infill Housing. This will include a focus on increasing housing density and removing barriers to housing in secondary plan areas. Amendments will be looking at removing density caps, filling gaps in policy to align with CCDS 2.0 for low-rise density, and addressing administrative issues. All existing local area plans and CCDS 2.0 have been scanned and are being sorted into groups for potential amendments that can facilitate other increases to the housing supply that might require additional analysis or engagement. A prioritization of amendments will be prepared by the project team and will be available by June of 2025, to align with the agreement, with an expected launch of proposed amendments by end of year.

Initiative 3 – Promoting Multi-Family Housing Downtown and on Corridors ("The HAF Grants Program")

The first round of the HAF Capital Grant program launched on May 31, 2024, with a budget of $25 million prioritizing affordable housing and projects located Downtown. On September 26, 2024, 11 projects were announced as conditionally approved for grants. The 11 projects that were awarded grants are expected to create 1,135 new housing units, of which 597 will be affordable, and 613 located in Downtown Winnipeg.

Round one projects are approved, conditional on receiving a building permit by September 2025. Monitoring projects to ensure compliance is ongoing and support is being offered by the Affordable Housing Concierge to eligible projects ensure success.

In December 2024, Council approved the second round of the HAF Grants Program with a commitment of $29 million. Rather than require applicants to reapply for a second intake, applications from round one were updated and re-adjudicated with $17 million going to the strongest remaining projects.

Additionally, Council approved $12 million for three key transformational projects Downtown: Portage Place Mall Redevelopment, The Wehwehneh Bahgahkinahgohn project at 450 Portage Avenue, and Parcel 9 and the Forks Railside.

On February 10, 2025, the City announced 12 projects conditionally approved for grants under round two, including the 3 Downtown Transformational Projects. Round Two projects are expected to create 1,418 new units, including 633 affordable units.

The awarded projects through both rounds of the program are expected to create a total of 2,553 new housing units, including 1,230 affordable units. The two rounds are expected to leverage $1.6 billion dollars in local construction.

Appendix II outlines the awarded projects from both rounds.

Initiative #4 – Land Enhancement Office

The Land Enhancement Office (LEO) is intended to meet the objectives of the CMHC agreement by facilitating the development of affordable, supportive and mixed-income housing on strategic City-owned land. This includes preparing City-owned land for sale/lease to non-profits, Indigenous groups, and housing developers to build affordable housing.

As reported in December 2024, priority is currently focused on the properties identified in the approved motion by Council on September 26, 2024. Work is underway to prepare the sites for eventual housing development (e.g. servicing studies, land surveys, development applications).

On September 26, 2024, Council enabled LEO to expedite the formation of partnerships for developing the priority sites. The disposition process for each site varies based on its unique circumstances and the nature of the development partnerships.

Three sites are being transferred to non-profits through a direct agreement due to an existing tenant on the site or because of a partner in development through a neighbouring property (22

Granite Way; 545 Watt Street; 395 Pacific). All remaining properties will be posted through an open EOI/RFP, to be launched in March 2025.

After the preparation of these larger properties, the next priority will be to focus on the properties which the City owns that are generally smaller in size, underutilized, chronically vacant, or are located in areas with a challenging housing market.

Initiative #5 – Affordable Housing Concierge Service

The Affordable Housing Concierge Service is dedicated to increasing and accelerating the supply of affordable housing by supporting and developing capacity primarily within the non-profit housing sector. The Concierge Service acts as a single point of contact, assisting non-profit housing providers and Indigenous organizations in planning their affordable housing applications, coordinating expedited review times where feasible, and providing guidance on next steps at different stages of the development and building permit processes. To date, the Concierge has supported 60+ unique projects in achieving approvals and has conducted training sessions for non-profit developers to understand the City's development approval processes.

On January 29, 2025, the End-to-end Review of the Development Process was awarded to KPMG. The purpose of the review is to assist in achieving the HAF goals of increasing the supply of residential units and facilitating lasting systemic change to better support housing development in to the future. The "end-to-end" review of the development process will focus on development and permit applications from application intake, to approval, and subsequent inspection and follow-up.

The objective is to ensure these processes are efficient, streamlined and effective; customer focused; clear and transparent; and support excellence in the built environment.

An internal working group with multiple departments has been meeting with the consultant team. External engagement by the consultants is also expected. The report will be complete by December 2025.

DELIVERABLE	**COMPLETION DATE**
Final Workplan	February 2025
Summary of Stakeholder Findings	End of May 2025
Process Maps of Applications/Permits	End of May 2025
Draft Interim Report	Middle of July 2025
Interim Report	End of July 2025
Draft Final Report	Early November 2025
Delivery of Final Report	Middle of December 2025

Initiative #6 – Program to Support Infrastructure and Servicing Upgrades

Council approved the development of a program for infrastructure and service upgrades to support new housing development as one of eight initiatives to be funded from the HAF. On

December 12, 2024, Council approved the principles of the HAF Multi-Family Sustainable Housing Infrastructure Program (MSHIP), and on January 30, 2025, approved amendments to the HAF Capital Grant Program By-law No. 64/2024 to include MSHIP.

The MSHIP will invite proposals from developers to fund investments in local water, and sewer infrastructure that are required to support new high-density multi-family housing development. Eligible investments include water mains, wastewater and land drainage sewer mains and related infrastructure work.

The MSHIP will be launched in spring 2025, with application intake and adjudication to be completed by December 2025 and notice of funding approval to successful applicants by January 2026, once the City receives its 2026 HAF allocation from CMHC.

Initiative #7 – Digitize and Facilitate Faster Development and Permit Approvals

This initiative continues the department's efforts to modernize city-building processes by providing a digital transformation of development applications. The first phase involves moving from a paper-based system to electronic, by enabling electronic application processing in AMANDA (the City's application database). The second phase involves integrating these application flows into Permits Online, the web-based customer portal, making the applications and visibility into the process, accessible for public self-service. The project includes a multitude of development applications, such as subdivision and rezoning applications. No further updates from December 2024 to report.

Initiative #8 – Housing Needs Assessment

As a condition of the City and CMHC funding agreement, the City is required to complete a housing needs assessment by December 1, 2025, and include a reoccurring scheduled review date moving forward. This project is currently under way. No further updates from December 2024 to report.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 28, 2025

Project Name:
Annual report on Housing Accelerator Fund Initiatives

COMMENTS:

There are no financial implications in receiving this report as information.

Randy Bernard

Randy Bernard, CPA, CMA
Manager of Finance & Administration (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

- Property and Development

OURWINNIPEG POLICY ALIGNMENT

Objective: Good Health and Well-Being

Policy 4.4: Enable collaborative partnerships that provide a continuum of existing or new affordable housing, making use of municipal supports such as fiscal, regulatory and measurement tools to ensure those most in need have increased access throughout the resident and building life-cycle.

Objective: Social Equity

Policy 5.2: Conserve and increase development of a continuum of affordable and supportive housing throughout the city as a fundamental human right

Objective: City Building

Policy 6.39: Affordable and Supportive Housing Options Facilitate affordable and supportive housing in all neighbourhoods, through a continuum of private and non-profit housing development that includes a mix of sizes, forms and tenures; resilient, low-carbon, and energy-efficient construction; adaptable, universal design accessibility; and proximity to integrated and, sustainable transportation options.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Strategic Opportunity #5 Low Carbon and Energy Efficient Buildings
Key Direction 5.2 Improve Energy Performance of New Buildings

- • Provide resources and incentives such as property tax relief or permit cost reduction program to building owners that demonstrate high energy efficiency

Key Direction 5.4 Build Climate Equity
Build partnerships with key stakeholders such as the local neighbourhood associations, Building Urban Industries for Local Development (BUILD) and Centre for Aboriginal Human Resources Development (CAHRD) to build local capacity and equity.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

The information and recommendations presented in this report align with the Winnipeg Poverty Reduction Strategy (2021 – 2031) Guiding Principles:

- We will Uphold Human Rights
- We will Honour Relationships and Reconciliation with Indigenous Peoples
- We will Address Systemic Oppression, Trauma and Social Inequity

- We will Promote and Maintain the Welfare of All Residents
- We will Develop Trust and Meaningful Partnerships to find solutions and drive change

Goal 2: The City Actively Plans for and Partners in Affordable Housing

SUBMITTED BY

Department: Office of the CAO
Division: Housing Accelerator Fund
Prepared by: Lissie Rappaport
Date: February 28, 2025
File No:

Attachments:

Appendix I: Definitions per HAF Agreement

Appendix II: HAF Capital Grants Awarded Projects

Appendix I: Definitions per Housing Accelerator Fund (HAF) Agreement

Single-Detached Home	A building containing one (1) dwelling unit, which is completely separate on all sides from any other dwelling or structure. This includes link homes, where two (2) units may share a common basement wall but are separate above grade. It also includes cluster-single developments.
Multi-Unit Housing in Close Proximity to Rapid/Frequent Transit	Any form of multi-unit housing in close proximity (1,500m) to rapid transit, which operates frequent service with high capacity and priority over other modes of transportation typically achieved through an exclusive right-of-way.
Multi-Unit Housing Characterized as Missing Middle	Ground-oriented housing types. This includes garden suites, secondary suites, duplexes, triplexes, fourplexes, row houses, courtyard housing, low-rise apartments (four (4) storeys or less).
Other Multi-Unit Housing	All multi-unit housing excluding missing middle and multi-unit housing in close proximity to rapid transit.
Affordable Housing	Housing units that are intended for households whose needs are not met by the marketplace. The local definition will be used for the purposes of HAF or in the absence thereof the provincial/territorial definition. The City of Winnipeg follows other government guidelines for affordable housing. This fits categories outlined below.

Appendix II: HAF Capital Grants Awarded Projects

Round One Awarded Projects

Longboat – 530 St. Mary Ave. & 252 Good St. The new 165-unit, privately owned development will provide 50 units of affordable housing, 1,780 square feet of commercial space, and aims to be accessible for every ability.	$1,750,000
Manitoba Inuit Association – Our Safe Space This project will have 15 transitional housing units for Inuit women and women with children who are escaping gender-based violence. The facility will be the first housing initiative lead and operated by Inuit to serve Inuit within Manitoba.	$250,000
Market Lands Inc. – Market Lands North Mixed-Use This new mixed-use development will provide 128 mixed-income housing units, including 48 deeply affordable units, a large commercial space, and a daycare with a dedicated play area.	$4,100,000
MRH Properties – 346 Pacific Ave. This new, privately-owned development will convert a downtown surface parking lot into 128 units of housing, including 38 affordable units.	$2,500,000
Ndinawemaaganag Endaawaad – Endaaying (Our Home) This new 23-unit transitional housing development in Winnipeg's North End will provide housing with wrap-around supports for Indigenous youth.	$1,150,000
Shoal Lake 40 First Nation – 2675 Portage Ave. This new development will provide 150 units of housing, over 40% of which will be a mix of affordable one, two, and three-bedroom units. This building will be open to the public offering safe, affordable housing for all residents, including Shoal Lake 40 First Nation community members wishing to live, study, and work in Winnipeg.	$2,000,000
University of Winnipeg Community Renewal Corporation – Second-Stage GBV Transitional Housing Project A new, 15-unit, transitional housing development for Indigenous and Newcomer women, Two Spirit, trans, and non-binary people, and their dependents who have experienced gender-based violence (GBV). Wrap-around support services to be provided by Family Dynamics, Ikwe Widdjiitiwin, and New Journey Housing.	$750,000
UWCRC 2.0 Inc. & 10162513 Manitoba Ltd. – 440 Edmonton St. This project will convert a vacant 13-story commercial building into a residential complex with 180 new transitional, social, and affordable housing units.	$3,500,000

Westgate Developments Ltd and LVDC Holdings Ltd – 125 Garry St. This privately-owned development will convert a largely vacant commercial building into a mixed-use apartment with a commercial ground floor and 126 units of housing, including 32 affordable units.	$2,000,000
Winnipeg Chinatown Development Corporation – 228 King St. & 261 Princess St. This new, 54-unit apartment in the heart of Chinatown will include a daycare space, 14 affordable units, and 15 units that are rent geared to income.	$2,000,000
Winnipeg Housing Rehabilitation Corporation – 145 Transcona Blvd. This new development will provide 154 units designed to house families and people with disabilities currently experiencing homelessness or at risk of homelessness. Forty-six percent of units will be deeply affordable, and an additional 31 units will be rent geared to income designated for vulnerable populations.	$5,000,000

Round Two Awarded Projects

Market Lands North Tower Project Inc. – Market Lands North Tower The Market Lands North Tower will provide 128 mixed-income housing units, including affordable options tailored for Indigenous peoples, newcomers, women with children, and young people.	$2,662,000
North End Women's Centre – 390 & 394 Selkirk Ave. This project will introduce a much-needed transitional housing component to the North End Women's Centre Selkirk Ave. facility, providing eight units of rent geared to income housing with immediate, on-site access to critical services, resources, and programming.	$400,000
Village Canadien Co-op Ltee – 1680 St. Mary's Rd. This project proposes to add 82 new units to the non-profit housing co-operative that has existed on the site for 48 years. It is planned that 30 percent of the additional units will be affordable.	$783,000
Main Street Project Inc. – 637 Main St. With 111 units, all of which are rent geared to income, this project aims to address homelessness in the community by transforming Main Street Project's existing emergency shelter into a multi-purpose facility with affordable housing, communal spaces, and on-site support services.	$2,500,000
Space 2 Developers – 138 Portage Ave. East This heritage property conversion east of Portage and Main proposes to redevelop the historic 105-year-old Keewayden building, transforming it into a 117-unit apartment building for over 300 new downtown residents.	$1,500,000
Living Gospel Church Inc. – 520 William Ave.	$1,077,500

Living Gospel Church Inc., a Black-led non-profit, will build 33 housing units, including 17 affordable units, prioritizing Black Canadians and newcomers.	
Brokenhead Ojibway Nation Development Corp. – 269 River Ave. The proponent is building a 144-unit apartment with 58 units rented at affordable rates, with priority given to members of Brokenhead Ojibway First Nation and other First Nations community members.	$2,000,000
Selam Housing – 507 Elgin Ave. This Black-led project will provide 32 units of rent geared to income housing with a focus on supporting Black residents who have been in Winnipeg for an extended period of time and also those are arriving through refugee sponsorships.	$1,077,500
Veritas Development Group Ltd. – 120 & 128 James Ave. This heritage property conversion in the heart of the Exchange District includes a new four-storey addition on top of 128 James Ave. and a new 10 storey building at 120 James Ave., adding 87 new units in total.	$1,000,000
Southern Chiefs Organization Reconciliation Foundation Inc. – Wehwehneh Bahgahkinahgohn This Indigenous-led project is transforming the former Hudson's Bay building into a mix of uses that will include 362 residential units, including 200 that will be affordable.	$5,000,000 (2025) + $5,000,000 (2026)
The Forks Renewal Corporation – Railside at the Forks Parcel 9 Led by The Forks Renewal Corporation, this Railside project will deliver 91 housing units, with 41 percent designated as affordable, including 28 rent-geared-to-income units.	$2,000,000
True North Real Estate Development – Portage Place This project will redevelop Portage Place Shopping Centre, adding 200 new housing units, up to 40 percent of which will be affordable.	$5,000,000 (2025) + $5,000,000 (2026)