



Housing Accelerator Fund — Highlight Sheet

The **Housing Accelerator Fund (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 expected to result in permits being issued for 100,000 more housing units across Canada.

ELIGIBILITY

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 HAF. 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 HAF.

FUNDING

There are two application streams:

- **Large/Urban:** A jurisdiction located anywhere in Canada with a population¹ equal to or greater than 10,000, excluding those within a territory or an Indigenous community.
- **Small/Rural/North/Indigenous:** A jurisdiction located anywhere in Canada with a population¹ less than 10,000 or within one of the territories or an Indigenous community.

¹ Population based on 2021 census data.

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. If approved to participate in the HAF program, proponents can use HAF funding towards permitted uses of funds. There are prescribed uses, which fall under the following four categories:

- Investments in Housing Accelerator Fund Action Plans
- Investments in Affordable Housing
- Investments in Housing-related Infrastructure
- Investments in Community-related Infrastructure that supports housing.

There will be mandatory reporting on the use of HAF funding.

MINIMUM REQUIREMENTS

To be eligible for incentive funding, the applicant must:

- Develop an action plan as part of their HAF application. The purpose of the action plan is to outline supply growth targets and specific initiatives to grow housing supply and speed up housing approvals.
- Commit to a housing supply growth target within the action plan that increases the average annual rate of growth by at least 10%. The growth rate must also exceed 1.1%.
- Complete or update a housing needs assessment report. This requirement may be waived if the applicant recently completed or updated a housing needs assessment.

The applicant must also agree to adhere to the reporting requirements of the program.

Action Plans

The action plan will include: (1) a housing supply growth target, which reflects the total number of permitted housing units projected with the support afforded by the HAF (2) additional targets related to the type of housing projected, as well as affordable housing and (3) proposed initiatives such as measures to increase density, revise parking requirements, enhance processes or systems, etc. that will help the applicant achieve their committed targets

and support the objectives of the program. The minimum number of initiatives that must be included in the action plan depends on the stream.

- **Large/Urban:** A minimum of seven initiatives.
- **Small/Rural/North/Indigenous:** A minimum of five initiatives.

Applicants are encouraged to select from a list of initiatives that will be provided by CMHC. There is flexibility for CMHC to consider alternative initiatives proposed by applicants. Actions that do not support the objectives of the program will not be considered.

EVALUATION CRITERIA

CMHC will review all applications to determine if they meet program requirements of the HAF. The following criteria will be used to evaluate an application:

- The commitment to increase housing supply (exceeding minimum growth expectations)
- The relevance of proposed initiatives to the objectives of the HAF
- The effectiveness of proposed initiatives on increasing the supply of housing
- The presence of a current housing needs assessment report is considered an asset.

FUNDING METHODOLOGY

A framework (see funding example) will be used to determine the amount of incentive funding per successful applicant. There are three components of the framework: (1) base funding, (2) top-up funding and (3) an affordable housing bonus. For the base funding, the per unit amount will be higher for applications pertaining to the territories or Indigenous communities. Committed targets would be included in the action plan and reflected in the contribution agreement.

1. **Base funding** is designed to incent all types of supply across the housing spectrum. The per unit amount will be multiplied by the number of HAF incented units.

- 2. **Top up funding** is designed to incent certain types of housing supply. Top up funding will depend on the type of housing and the associated projected increase in the number of permitted units. There is no top up funding available for single detached homes. The value ascribed to each category will be multiplied by the associated projected increase in the number of permitted units.
- 3. **Affordable housing bonus** is designed to reward an applicant that can increase its share of affordable housing units relative to the total projected permitted units with the support afforded by the HAF. The percentage growth will be multiplied by the ascribed value and then by the total projected permitted units with the support afforded by the HAF.

FUNDING EXAMPLE

Table 1: Base Funding

	Total projected permitted units without HAF	Total projected permitted units with HAF	HAF incented units	Per unit amount	Base funding amount
Base funding	5,500	6,000	500	\$20,000*	\$10,000,000

A total of 500 HAF incented units * \$20K per unit = \$10M.

* All per unit amounts for the base funding, top up funding and affordable housing bonus are estimated amounts that may assist potential applicants for budgeting purposes. CMHC may adjust these amounts and this flexibility is to help ensure that CMHC can support higher than anticipated housing supply growth targets and outcomes across Canada within the overall program funding.

Table 2: Top-up Funding

	Total projected permitted units without HAF by type of housing	Total projected permitted units with HAF by type of housing	Increase in housing type (#)	Per unit amount	Top-up funding amount
Single detached homes	2,000	2,100	100	\$0	\$0
Multi-unit housing (in close proximity to rapid transit)	400	450	50	\$15,000*	\$750,000
Multi-unit housing (missing middle)	1,000	1,250	250	\$12,000*	\$3,000,000
Multi-unit housing (other)	2,100	2,200	100	\$7,000*	\$700,000
Total units	5,500	6,000	500		
Top up funding					\$4,450,000

For example, an increase of 250 missing middle housing units * \$12K per unit = \$3M.

* All per unit amounts for the base funding, top up funding and affordable housing bonus are estimated amounts that may assist potential applicants for budgeting purposes. CMHC may adjust these amounts and this flexibility is to help ensure that CMHC can support higher than anticipated housing supply growth targets and outcomes across Canada within the overall program funding.

Table 3: Affordable Housing Bonus

	Total projected affordable units permitted without HAF (%)	Total projected affordable units permitted with HAF (%)	Increase in the share of affordable housing units (%)	Per unit amount	Affordable housing bonus amount
Affordable housing bonus	2.00%	3.50%	1.50%	\$19,000*	\$1,710,000

An increase in the share of affordable housing units of 1.50% * 6000 total projected permitted units with HAF

* \$19K per unit = \$1.71M.

* All per unit amounts for the base funding, top up funding and affordable housing bonus are estimated amounts that may assist potential applicants for budgeting purposes. CMHC may adjust these amounts and this flexibility is to help ensure that CMHC can support higher than anticipated housing supply growth targets and outcomes across Canada within the overall program funding.

Total Incentive Funding:
\$16,160,000
 Base funding (\$10M) + top up funding (\$4.45M) + affordable housing bonus (\$1.71M) = \$16.16M

The average amount for each HAF incented unit is: \$32,320
 Total incentive funding of \$16.16M / the number of HAF incented units of 500 = \$32,320

MINIMUM DOCUMENTATION REQUIREMENTS

Minimum documentation to support an application under the HAF:

- Completed application form, including action plan
- Signed integrity declaration
- Most recent audited financial statements (if not available publicly)
- Current housing needs assessment report (if available at time of application)
- Attestation letter signed by the applicant’s Chief Financial Officer (or equivalent) using the prescribed form on viability of the action plan.

ADVANCING SCHEDULE

There will be a total of four advances to successful applicants, with one advance planned for each year of the program. An upfront advance will be provided in the first year to assist proponents with implementing action plans. Subsequent payments will be subject to conditions, including satisfactory progress reviews.

REPORTING REQUIREMENTS

There are three main reporting obligations under the HAF that relate to progress on the initiatives and commitments outlined in the action plan, supporting data on housing units permitted during the reporting period and reporting that confirms that HAF funding was used for a permitted purpose.

APPLICATION PROCESS

The following provides a high-level overview of the application process for HAF:

1. HAF program details announced

- CMHC publishes program parameters and pre-application reference material, including an action plan template on its [website](#)²

2. Potential applicants consider the HAF

- Applicants assess their own local context, including housing challenges and opportunities

3. Applicants develop action plans

- Applicants develop an action plan unique to their needs in support of HAF, aligned with the prescribed template
- Applicants obtain necessary approvals³

4. CMHC is ready to accept applications

- CMHC invites applicants to apply⁴
- CMHC's intake portal opens for application submissions
- Applicants submit application, including the action plan⁵

5. Evaluation and selection

- CMHC will evaluate and prioritize applications and obtain final approvals⁶
- Once approvals and final funding decisions are made, CMHC will advise applicants of the outcome

6. Contribution agreement

- If approved, CMHC will confirm the total amount of funding
- The proponent signs the contribution agreement⁷
- First advance processed following signing of the agreement

This material is provided for informational purposes and provides program highlights only. This information is subject to change at any time. CMHC does not guarantee or warrant that the program highlights are complete, adequate, or up-to-date. Additional information on the program can be found within the pre-application reference material made available on CMHC's [website](#)². The contribution agreement shall include the terms and conditions of the program and govern the obligations of the recipient and CMHC.

² <https://www.cmhc-schl.gc.ca/en/professionals/project-funding-and-mortgage-financing/funding-programs/all-funding-programs/housing-accelerator-fund>

³ All action plans must be approved by elected Council (or equivalent, including delegated authority) and include an attestation of the applicant's Chief Financial Officer (or equivalent) on the viability of the plan. The attestation must be obtained by the applicant before applying to the HAF. The approval may be obtained by the applicant before applying to the HAF and is required before the contribution agreement is signed.

⁴ CMHC will encourage several anticipated growth leaders within the large/urban stream to apply to the HAF in advance of the intake portal opening. These are cities that are expected to contribute significantly towards the 100K unit target for the HAF. Considering these cities earlier in the process will assist CMHC in managing the overall funding envelope.

⁵ There is only one planned intake window. All applicants interested in applying to the HAF must meet the submission deadline.

⁶ CMHC will consider take-up across jurisdictions and may adjust application rankings to support a national distribution. CMHC will make formal recommendations to the Minister of Housing and Diversity and Inclusion.

⁷ If not already obtained, Council approval (or equivalent) of the action plan is required before the proponent enters into the contribution agreement.