



**Meeting Date:** September 6, 2023

**Submitted by:** Michael Di Lullo, CAO

**Report No:** CAO-29-2023

**Subject:** Building Faster Fund

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**Recommendation:**

THAT Report CAO-29-2023, re: Building Faster Fund be received for information.

**Purpose:**

The intent of this report is to provide an overview of the proposed Building Faster Fund that will provide financial support to municipalities to build more housing.

**Background:**

At the Association of Municipalities of Ontario Conference – held in London Ontario from August 20-23, 2023, it was announced by Minister Steve Clark a new funding stream named the [Building Faster Fund](#). The intent of the fund is to reward municipalities that build homes.

The Ontario government is launching the Building Faster Fund, a new three-year, \$1.2 billion program that provides significant new funding based on performance against provincial housing targets.

## **Analysis:**

The Building Faster Fund will provide \$400 million in new annual funding for three years to municipalities that are on target to meet provincial housing targets by 2031. Municipalities that reach 80 per cent of their annual target each year will become eligible for funding based on their share of the overall goal of 1.5 million homes. Municipalities that exceed their target will receive a bonus on top of their allocation.

Funding from the Building Faster Fund can be directed toward housing-enabling infrastructure and other related costs that support community growth. Eligible expenses will be determined following consultations between the province, the Association of Municipalities of Ontario, the City of Toronto and the Housing Supply Action Plan Implementation Team.

A portion of the overall funding will also be allocated to single and lower tier municipalities that have not been assigned a housing target, including small, rural and northern communities, in order to address their unique needs, following municipal consultations.

To date, there are 29 municipalities assigned housing targets in 2022 and the 21 municipalities with newly assigned housing targets represent more than 88 per cent of the provincial target of 1.5 million homes. An eligible municipality would receive no funding if it is below 80 per cent of its annual assigned target. However, it would receive up to 100 per cent of allocated funding if it is on track to meet its target and could receive potential bonus funding if it exceeds that.

As outlined in the correspondence from Minister Clark - 10% of the overall funding will be set aside for small, rural and northern communities that have not been assigned a housing target by the province, in order to address their unique needs in supporting growth in housing supply. Middlesex Centre has completed a comprehensive Official Plan Review that includes growth projections; however, there are no housing targets assigned to-date from the Ministry.

## **Financial Implications:**

N/A – no allocation targets have been assigned to Middlesex Centre; nonetheless, staff will seek any funding from the Building Faster Fund once more information is available.

**Strategic Plan:**

This matter aligns with following strategic priorities:

- Sustainable Infrastructure and Services
- Balanced Growth

The Building Faster Fund is another financial resource that will enable municipalities to grow and ensure there are adequate services to meet the demand of future housing.

**Attachments:**

Attachment: Correspondence from Ministry of Municipal Affairs, dated August 22, 2023