

Standing Committee Report

REPORT NUMBER 262-2025-Growth-Development Services		
DATE PREPARED October 1, 2025		FILE
STANDING COMMITTEE MEETING DATE November 25, 2025		
SUBJECT Building Faster Fund and Housing Accelerator Fund Funding Reallocation		

PURPOSE

WITH RESPECT to Report 262-2025-Growth-Development Services, we request endorsement of the Standing Committee to forward the following recommendations to City Council:

WE RECOMMEND THAT Appropriation No. 20-2025 be approved to reallocate Building Faster Fund and Housing Accelerator Fund funding between the Burwood Road Network Expansion Phase II and Empire Avenue – Brown Street to 100M West projects, and increase the Empire Avenue project budget by \$180,000;

AND THAT any necessary by-laws be presented to City Council for ratification.

EXECUTIVE SUMMARY

This Report recommends that Council approve a change in the funding authority for two approved capital projects (Burwood Road Network Expansion Phase II and Empire Avenue – Brown Street to 100M West) and increase the budget for the Empire Avenue project by \$180,000. These projects will close gaps in servicing, thereby unlocking City-owned and private lands for housing development to support the Provincial Housing Target of 2,200 permitted homes by 2031.

Appropriation No. 20-2025 reallocates budgeted Building Faster Fund (BFF) funding to the Burwood Road project, thereby reducing the Housing Accelerator Fund (HAF) commitment, and increases the BFF allocation for the Empire Avenue project.

KEY CONSIDERATIONS

On June 6, 2025, the City of Thunder Bay received an allocation notice from Minister Robert Flack – MMAH confirming the City's eligibility to receive up to \$880,000 in total funding through the BFF in 2025 due to exceeding the Provincially assigned housing target by 143%. This funding was included in the 2025 Capital Budget (estimate of \$870,890) and allocated to HAF initiatives.

The City entered into a Transfer Payment Agreement (TPA) with MMAH in June 2024 prior to receiving the BFF allocation for Program Year 1 (\$870,890). These funds were budgeted through the 2025 Capital Budget to support the following approved projects:

- **Empire Avenue – Brown Street to 100M West (\$400,000).** Design and construction of 100m road extension to an existing urban street. Will support a minimum of 60 units.
- **Interocean Development (\$470,890).** Design and construction of 650m of new watermain, storm, and sanitary sewers from Amber Drive west then north to Central Avenue. Will enable the development of 1,260 units by project completion.

To receive the BFF allocation for Program Year 2, the City was required to submit the amended TPA and complete and submit an Investment Plan (IP) to demonstrate how funding will be used. The TPA and IP were signed by the Mayor and Deputy City Clerk and submitted on June 19, 2025, and July 31, 2025, respectively. The IP was approved by the province on September 26, 2025.

The IP was developed based on the approved strategy included in Report 263-2023 – 2023 Ontario Housing Pledge and the Housing Accelerator Action Plan. In addition to the capital projects listed above, the IP includes the following project:

- **Burwood Road Network Expansion Phase II.** Design and construction of municipal sanitary sewer and water extension along Burwood Road to Oliver Road. The private and public lands can accommodate over 3,000 units.

The Burwood Road capital project was approved through the 2025 Capital Budget, with \$720,900 allocated from the HAF. The Burwood Road capital project is eligible for the BFF, as such \$700,000 in BFF Program Year 2 funding has been allocated to this project to offset the HAF commitment. This will allow for \$700,000 to be available for other HAF eligible expenses.

The remaining funds will be allocated to the Empire Avenue project, increasing the BFF funding from \$400,000 to \$580,000. Pre-construction estimates came in higher than anticipated and this additional funding will allow the project to proceed in 2026.

FINANCIAL IMPLICATION

Administration is recommending that Appropriation No. 20-2025 be approved to establish an additional funding source and reduce the HAF commitment for the Burwood Extension Phase II capital project and increase the amount of BFF funding for the Empire Avenue Road Extension.

BACKGROUND

On June 11, 2025, the City was notified that it surpassed its provincially assigned housing target for 2024 by 143% and would be eligible to receive \$880,000 through the BFF. The TPA was amended in June 2025 and the Investment Plan was submitted by the July 31, 2025 deadline.

On April 4, 2024, the Premier visited Thunder Bay and announced that the City would receive \$870,890 through the BFF for surpassing its provincially assigned housing target for 2023. The City entered into a TPA with MMAH in June 2024 and the Investment Plan was approved on August 13, 2024.

At the October 23, 2023, Committee of the Whole Meeting, Council approved the recommendation in Report 236-2023 – 2023 Ontario Housing Pledge, approving the City of Thunder Bay's Housing Pledge and strategy to achieve 2,200 homes by 2031, and delegated signing authority to the Mayor and City Clerk on all documentation related to these matters.

REFERENCE MATERIAL ATTACHED

Attachment A – Appropriation No. 20-2025

REPORT PREPARED BY

Summer Stevenson, Project Manager – Development Services

REPORT SIGNED AND VERIFIED BY

Kerri Marshall, Commission - Growth

Date (11/15/2025)