

Standing Committee Report

REPORT NUMBER 143-2026-Growth-Development Services

DATE

PREPARED

April 10, 2026

FILE

STANDING

COMMITTEE

April 28, 2026

MEETING DATE

SUBJECT

Housing Accelerator Fund – 2026 Annual Report

PURPOSE

For information.

EXECUTIVE SUMMARY

This Report provides an overview of the second Annual Report of Thunder Bay’s Housing Accelerator Fund Program submitted to the Canada Mortgage and Housing Corporation (CMHC) on March 3, 2026.

During the second reporting period, Thunder Bay issued permits for 546 new units (530 net units), achieving 86% of the first two targets, and 50% of the three-year Housing Supply Growth Target. Significant progress was made on implementing the Approved Action Plan, with all initiatives complete or on track.

Since 2024 the City has approved 90 grant applications, committing over \$10.4 million to support 566 residential units. An additional \$1.7 million has been earmarked for grants in 2026.

Thunder Bay’s report was approved by CMHC on March 19, 2026, and the third advance of \$5,888,348.21 was received on March 31, 2026. Following receipt of the third advance, release of the Renew Thunder Bay Reserve Fund commitment of \$4,060,000 towards the Affordable Rental Housing Funding Program was initiated.

KEY CONSIDERATIONS

The City of Thunder Bay has been awarded up to \$22.9 million in funding from the Canada Mortgage and Housing Corporation (CMHC) through the Housing Accelerator Fund (HAF) to reach a total of 1,755 new permitted homes by February 28, 2027.

The purpose of this Report is to provide Council with an Annual Report that highlights the progress made on achieving the goals of the HAF Program. This Report provides a summary of the Annual Attestation that was submitted to CMHC on March 3, 2026, per the Contribution Agreement, and captures the period between February 5, 2025, and February 4, 2026.

The Annual Attestation is composed of four parts: permit data report, action plan report, capital projects report, and use of HAF funding report. Attachment A includes the permit data report summary and action plan report submitted to CMHC.

Permit Data Report

The Permit Data Report validates building permits issued during the reporting period to determine progress towards achieving the Housing Supply Growth Target. Thunder Bay has selected to report permit data using the whole month reporting period (March 1, 2025, to February 28, 2026).

The three-year Housing Supply Growth Target of 1,755 is broken down into three annual targets: 339 (year one), 676 (year two), and 740 (year three). The three sub-targets – missing middle, other multi-unit, and affordable units – do not have annual targets associated with them.

During the reporting period, Building Services issued permits for 546 new units. During the same period, 16 units were lost through demolition, resulting in 530 new units. This means that Thunder Bay achieved 78% of the year two target. When added to the results from the first reporting period, **Thunder Bay achieved 86% of the combined year one and two targets** (table 1).

Table 1. Net permitted units from March 1, 2024, to February 28, 2026, by target type.

Target Type	Target	Net	Remain	Progress
Total Units	1,015	875	140	86%
Missing Middle	429	460	0	107%
Other Multi-unit	328	341	0	104%
Affordable Units	362	135	227	37%

From January 1, 2024, to March 25, 2026, Building Services issued permits for 911 units. 425 of those units (47%) are from HAF grant supported projects (table 2). The four major grant programs listed in table 2 are the Affordable Rental Housing Funding Program (ARHFP), Additional Dwelling Unit Grant Program (ADU), Construction Assistance Grant Program (CAG), and Multi-Unit Residential Grant Program (MUR).

In 2024 and 2025, 33-35% of units were supported by HAF, with the remaining 65-67% of units not receiving grant support. The majority of units issued permits this year have

been a result of HAF grant funded projects. However, this ratio will change as more permits are issued throughout the year.

Table 2. Units in receipt of HAF grant funding by program and calendar year, compared to all units permitted per calendar year (gross).

Year	ARHFP	ADU	CAG	MUR	HAF Total	All Units	% HAF
2024	0	14	4	94	112	343	33%
2025	44	33	38	14	129	374	35%
2026	101	3	0	80	184	194	95%

Action Plan Report

The City has made significant progress implementing the Approved Action Plan and is considered “On Track” by CMHC. A status update on all milestones is provided in Attachment A.

Highlights include:

- Receiving and processing 119 applications across the four grant programs, for a total of 210 applications processed in two years. Application volume demonstrates a high demand for funding to support more units.
- Approving 35 applications, committing over \$2.5 million in funding to support 173 new residential units. For a total of 90 applications, \$10.4 million in funding, and 566 residential units in two years. This does not include projects that were awarded funding and later cancelled.
- Conducting a review of the ADU Grant Program which supported a 425% increase in ADU permits in 2025 compared to the 10-year average.
- Designating 4 large parcels of municipally owned land as surplus to support 1,100 units over the next three years.
- Initiating the creation of a Vacant & Dilapidated Buildings Program.
- Completing development studies on high potential parcels of land to reduce barriers to development.

Capital Projects Report

HAF funding will be used to support three capital projects in 2026. These projects were included in the 2025 Annual Report. No new projects have been added.

1. **Empire Avenue Road Extension.** Design and construction of 100m road extension to an existing urban street. Will support a minimum of 60 units.
2. **Burwood Extension Phase II & III.** 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.
3. **Central Avenue Servicing Project Phase I.** 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.

Use of HAF Funding Report

The City is required to report on the funding advanced during the reporting period, by category. The categories are: (1) initiatives included in the approved action plan or (2) investments in affordable housing, (3) housing-related infrastructure, and (4) community-related infrastructure that supports housing.

As of February 4, 2026, the City has advanced \$3,063,248 on initiatives included in the Approved Action Plan. This does not include committed funds, nor invoices which have been approved but not paid.

Looking Ahead – HAF Year Three

After a successful Year One and Two, work is underway to continue to build momentum and accelerate development in Year Three. This is the final year of the Approved Action Plan. Priorities include:

- Completing the 7 remaining milestones due in 2026.
 - Initiative 1, Milestone 3 – Multi-Unit & Affordable Housing Initiative: Program Evaluation – due June 1
 - Initiative 3, Milestone 3 – Affordable Housing Navigator: Publicize Services – due December 31
 - Initiative 6, Milestone 3 – Secondary Planning & Infrastructure Planning in Support of Housing Strategy: Undertake Secondary/Neighbourhood Planning – due December 31
 - Initiative 7, Milestone 3 – Vacant Industrial land Assessment & Conversion Program: Long-Term Industrial Land Assessments – due December 31
 - Initiative 8, Milestone 2 – Archaeological Management Plan: Undertake Archaeological Management Plan – due April 30
 - Initiative 9 & 10, Milestone 2 – Enhanced Vacant & Dilapidated Buildings Program: Develop and Launch Program – due June 30
 - Initiative 9 & 10, Milestone 3 – Enhanced Vacant & Dilapidated Buildings Program: Acquire and Address Priority Buildings – due August 31

- Administering the Additional Dwelling Unit Grant Program, Affordable Rental Housing Funding Program, Construction Assistance Grant Program, and the Multi-Unit Residential Grant Program.
- Administering the Surplus Land Strategy and sale of lands for housing.
- Working with the Mayor's Taskforce on Building More Homes Advisory Committee to finalize the Housing Affordability Action Plan, which will guide the City's work on housing following the end of the Approved Action Plan.

In 2026, Thunder Bay will need an ambitious 880 net new units to meet the assigned Housing Supply Growth Target. This volume of development has not been experienced in Thunder Bay since the early 1990s.

Should all projects awarded grant funding to date proceed, we can expect 141 incentivized units in 2026. Should the four projects on the surplus large opportunity sites proceed on schedule, an additional 600 units will be permitted before the next reporting period. In addition, a total of \$1.7 million has been earmarked for grants in 2026 to further accelerate housing development.

FINANCIAL IMPLICATION

There are no direct financial implications associated with this update.

The City has received three HAF advances totalling \$16,972,711.29. The final advance (March 2027) is contingent on the City completing all initiatives in the Approved Action Plan and meeting the Housing Supply Growth Target.

Per Report 368-2024 – Affordable Rental Housing Funding Program Funding Advance, the Renew Thunder Bay Reserve Fund commitment of \$4,060,000 towards the Affordable Rental Housing Funding Program was released following receipt of the third HAF advance.

BACKGROUND

On December 2, 2025, the 2026-2027 Capital Budget was approved, establishing the 2026 budget for the Program at \$5,388,300.00

On March 20, 2025, the City of Thunder Bay and Canada Mortgage and Housing Corporation entered into an amended Contribution Agreement to add the Vacant & Dilapidated Building Program Initiative to the City's Approved Action Plan, increase the total potential funding amount to \$22.9 million, and revise the Housing Supply Growth Target and sub-targets. The new targets are as follows:

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- By February 28, 2027:
 - 1,755 permitted housing units (net).
 - 429 missing middle housing units.
 - 328 other multi-unit housing units.
 - 20.61% of the Housing Supply Growth Target are affordable units.

At the March 17, 2025, Committee of the Whole Meeting, Report 84-2025 – Housing Accelerator Fund Annual Report was presented for information.

On March 7, 2025, administration submitted the first Annual Report of Thunder Bay's Housing Accelerator Fund Program to Canada Mortgage and Housing Corporation. This report included a proposal and funding request to create a Vacant & Dilapidated Buildings Program Initiative.

On November 25, 2024, the 2025 Capital Budget was approved, establishing the 2025 budget for the Program at \$5,196,000.00.

At the October 7, 2024, Committee of the Whole Meeting, Report 368-2024 – Affordable Rental Housing Funding Program Funding Advance was approved, thereby increasing the 2024 funding allocation for the Affordable Rental Housing Funding Program from \$1,520,000 to \$5,580,000. The Renew Thunder Bay Reserve Fund committed \$4,060,000 towards to backstop the funding increase until receipt of the third advance.

At the March 11, 2024, Committee of the Whole Meeting, Report 64-2024 – Housing Accelerator Initiatives was approved, thereby approving the administrative requirements to support the Housing Accelerator Program and establishing the 2024 budget for the Program at \$5,196,014.87.

On February 5, 2024, the City of Thunder Bay and Canada Mortgage and Housing Corporation entered into a Contribution Agreement for up to \$20.7 million in Housing Accelerator Fund funding.

At the August 11, 2023, Committee of the Whole Meeting, additional information was provided, and Council approved the City's application to the Housing Accelerator Fund.

At the July 24, 2023, Committee of the Whole Meeting, Report 203-2023 – Application to the Federal Housing Accelerator Fund was presented and Council referred the report back to Administration requesting additional information.

REFERENCE MATERIAL ATTACHED

Attachment A – HAF-CMHC 2026 Annual Attestation Text Copy

REPORT PREPARED BY

Corporate Report 143-2026-Growth-Development Services

Summer Stevenson, Project Manager – Development Services

REPORT SIGNED AND VERIFIED BY

Joel DePeuter, Acting Commissioner- Growth Department

Date 04/20/2026