

# Memo

To: Members of Council  
From: Jane Clohecy, Chief Administrative Officer  
CC: Neil Garbe, Commissioner, Community Development Commission  
Date: April 17, 2024  
Subject: Housing Pledge and Building Faster Fund – Status Update

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## Comments

As outlined in previous updates to Council, town staff continue to engage with representatives from the province's Ministry of Municipal Affairs and Housing (MMAH) and the Federal Canada Mortgage and Housing Corporation (CMHC) regarding the Housing Pledge, tracking of housing starts, data quality issues and opportunities, and associated provincial funding.

Town staff and Mayor Burton continue to advocate for accurate and timely data to inform provincial policy and funding decisions.

## Background:

In January 2023, the province assigned Housing Targets to municipalities across the province. Oakville's housing pledge target is 33,000 homes by 2031. In March 2023, Oakville Town Council unanimously approved the Housing Pledge assigned by the province.

In parallel, the province also announced the creation of the Building Faster Fund (BFF), which rewards municipalities for reaching at least 80% of their annual housing pledge target. For Oakville, this means:

- If the town achieves 80% of its annual target, \$7.04 million would be received.
- If the town achieves 100% of its annual target, \$8.8 million would be received.
- If the town surpasses its annual target, \$8.8 million, plus a bonus payment would be received.

While Council approved the Housing Pledge, it has also been made clear that the town's role in housing is processing and approving housing units, not building homes.

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However, the province has chosen to track progress related to the Housing Pledge, based on a metric called Housing Starts, which is reported by the CMHC. According to CMHC, housing starts are counted by enumerators across the country who visit building sites to confirm the start of housing, as determined by “concrete poured for the whole of the footing around the structure”.

### **2023 Housing Pledge Target and BFF:**

As part of the BFF, the province assigned the town a 2023 target of 2,420 housing starts. Based on CMHC’s housing start data, the Town of Oakville had 1,843 housing starts, translating to 76% of its 2023 housing target, and therefore did not qualify for the province’s 2023 BFF funding.

However, town staff also began tracking housing starts using our own internal permitting data, based on the town’s first inspection. First inspections are conducted by the town’s Building Inspectors, who visit every site when construction begins (i.e. ready to construct footings), in alignment with the Building Code. The town’s first inspection data showed there were 2,701 housing starts in 2023, surpassing our 2023 housing target, and qualifying the Town and its residents for BFF funding.

Given this significant discrepancy, town staff engaged with CMHC to understand the differences between the two data sources. The cross-analysis suggested:

- CMHCs methodology results in a lag in counting housing starts, compared to Oakville’s first inspection. The lag was typically 2-3 months. However, this timing was not consistent, and in some cases, was much longer.
- A subset of housing starts was not being counted by CMHC. This included accessory dwellings (i.e. basement apartments). This oversight was the result of CMHC not understanding the way Oakville tracks and reports building permits for conversions/accessory dwellings.
- Examples existed where CMHC counted a housing start that was not yet tracked in town permitting data; CMHC suggested this may occur when an enumerator is driving by a sees a construction site starting, adding it to the count and resulting in further inconsistencies in the data.

Due to this engagement and analysis, CMHC requested that Town of Oakville staff produce a customized monthly building permit report to inform their enumeration efforts. This report will more accurately inform CMHC’s housing start enumeration and ensure all applicable housing starts are counted. The first of these customized reports was provided to CMHC on April 4, 2024.

In parallel to staff engagement, Mayor Burton and CAO Jane Clohecy engaged in significant advocacy with a range of representatives from both the provincial government and the CMHC. Advocacy has focused on key messaging that:

1. Oakville surpassed its 2023 housing target and should receive 2023 BFF funding.
2. If the province is using housing starts for tracking the Housing Pledge and BFF, a municipality's first inspection data is the most accurate and timely data source.
3. CMHC has acknowledged they did not count a subset of housing starts (i.e., accessory dwellings). CMHC should restate its housing starts to include these numbers.
4. In 2023, Oakville had 167 housing starts for accessory dwellings that were not counted by CMHC. If these housing starts are included in the provincial tracking, the Town of Oakville achieved 83% of its 2023 housing target and is therefore entitled to receive 2023 BFF funding.

To date, CMHC has not restated its 2023 housing start numbers. The province has continued to actively engage on this issue and is committed to enhancing data quality going forward. The province is currently maintaining the use of CMHC's 2023 housing start counts, while working with both municipalities and CMHC to better understand data quality issues and opportunities for improvement.

Given this, the town has not received 2023 BFF funding; however, engagement and advocacy are ongoing.

### **Housing Pledge and BFF Going Forward:**

The provincial BFF is a multi-year fund, with annual targets and funding available to municipalities in 2024 and 2025, respectively.

- In 2024, Oakville has a BFF target of 2,750 housing starts.
- In 2025, Oakville has a BFF target of 3,300 housing starts.

The province's tracking towards BFF targets can be found here: [Tracking housing supply progress | ontario.ca](https://www.ontario.ca/en/track-housing-supply-progress).

Given this, it is essential that the Town of Oakville, alongside other municipalities, continue to advocate for accurate and timely data to inform policy and funding decisions. For the Town of Oakville, it is critical that residents receive the provincial funding they deserve.

## **Oakville's Leadership Role in Data and Reporting:**

The Town of Oakville has recently launched the Oakville Data Hub ([Oakville Data Hub](#)) which includes a dashboard tracking progress of the Housing Pledge ([Housing Pledge \(oakville.ca\)](#)). The Housing Pledge dashboard will further enhance openness and transparency by publicly reporting on a range of metrics and data sources relevant to the Housing Pledge. The Town of Oakville data included in the Housing Pledge dashboard is updated daily, to ensure timely and accurate information is available.

Efforts to date have illustrated that ongoing tracking of housing starts, and comparison of various data sources has been essential in identifying data quality issues and opportunities for improvement. Town staff have been leaders amongst municipalities in this undertaking.

As a result of Oakville's work, a number of neighbouring municipalities have reached out to town staff to understand our approach to tracking, and lessons learned from our ongoing engagement with CMHC and the province.

The Association of Municipalities of Ontario (AMO) is also taking a leadership role to advocate for use of high-quality, timely data and bring a united voice forward. The province has suggested Town of Oakville staff are included in the AMO working group going forward.

The town is committed to continue advocating for high quality and timely information to inform policy and funding decisions.