

**TO: Mayor and Members of Council,**

**FROM: David Creery, Chief Administrative Officer**

**RE: Building Faster Fund**

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**AIM**

To obtain approval for project(s) to submit to the Building Faster Fund based on the eligibility criteria and the timelines to complete the project(s).

**BACKGROUND**

The Building Faster Fund (BFF) was announced in August 2023 as a Provincial funding stream available to municipalities. The \$1.2B fund is a three-year program that will provide annual funding to municipalities that have committed in writing to achieve their overall 2031 housing target and met other program eligibility criteria.

The 2023 housing target for Woodstock was 403 units. Through ongoing collaboration with the Ministry of Municipal Affairs and Housing and Canadian Mortgage and Housing Corporation (CMHC), the revised number of actual housing starts recorded in 2023 was 475. This reflects an achievement of 118% of the City's target and resulted in a \$1,990,736 investment for the 2024 BFF program year.

Use of the BFF funding is guided by strict criteria. The four potential uses for BFF include:

1. Capital expenditures on housing-enabling core infrastructure (e.g. roads, bridges, water and wastewater, stormwater) and site servicing to accommodate future residential development including new construction, reconstruction and rehabilitation/repair of existing infrastructure.
2. Operating or capital expenditures that support the creation of net new affordable housing.
3. Operating or capital expenditures that support the creation of net new attainable ownership housing, including through modular construction.
4. Capital expenditures for homelessness services centers. This can include capital expenses for net new shelter space or municipal homelessness service hubs.

Further, eligible expenses for BFF include:

- Soft costs (planning, studies, and permits),
- Hard costs (construction, labour, and materials)
- Land costs

Municipalities may stack BFF funds with other sources of provincial and federal community housing and infrastructure capital funding.

The Ministry of Municipal Affairs and Housing requires municipalities to enter into a Transfer Payment Agreement and to submit an Investment Plan by November 29, 2024, that shows how BFF will be spent prior to March 31, 2026.

## **COMMENT**

The completion deadline of March 31, 2026, is very problematic for the completion of any project with a budget of this magnitude. The majority of municipalities received BFF funding in early summer and have a 5–6-month head start on their projects. The Ministry has indicated that it is currently reviewing the deadline, however there is no guarantee and all projects must be capable of reaching a completion state such that the BFF component of the project is expended by this deadline.

Project recommendations for each eligible category are as follows:

### **1. Capital Expenditures on Housing Enabling Core Infrastructure:**

The preferred project under this category is the Pittock Park Road Urbanization project which is currently included in 2026 with an estimated cost of \$4 million. This project was selected by City Council for the City's submission under the Municipal Housing Infrastructure Program – Housing Enabling Core Servicing Stream. If approved, this program will fund up to 50% of the costs of the project. As BFF funding can be stacked with other funding to support housing infrastructure the City could realize funding for the majority of this capital project, if successful under this program. However, this project cannot be completed before March 31, 2026, and is therefore disqualified from further consideration.

Staff suggest the submission of the following three projects:

Storm Water Management Pond Cleanout - Aldergrange Subdivision \$450,000  
 New Sidewalk Construction – Sprucedale Avenue to Devonshire \$200,000  
 Storm Water Management Pond Cleanout – Finch Pond \$1,700,000

The first two projects are included in the draft Capital Budget for 2025. The Finch Pond cleanout is included in the 2026 forecast year and would need to be brought forward to 2025. These stormwater management ponds are located within developing plans of subdivision and the work supports removal of sediments that have accumulated and will continue to accumulate from this construction activity. The sidewalk project relates to new sidewalks connecting new residential neighbourhoods to Devonshire Avenue.

The Engineering Department has applied for funding approval for the Aldergrange project under the Housing Enabling Water System Grant-Intake 2. The total value of these projects exceeds the BFF funding in the event that this funding application is successful. If the funding application is not successful, the full amount of the BFF funding would be applied to the projects with the remainder being financed from the originally recommended source.

Woodstock is in a unique situation in that the remaining project categories eligible under the BFF program do not fall under the City's mandate as the services are offered by Oxford County. Oxford County, however, is not eligible for BFF Funding. Council could still consider applying the funding towards those categories in the following ways:

**2. Operating or capital expenditures that support the creation of net new affordable housing.**

The BFF funding can be transferred to Oxford County to support new affordable housing within the City of Woodstock. Specifically, the BFF funds can be applied to the County owned property at 385-387 Dundas Street (former Capitol Theatre) to support a redevelopment of this site for new affordable housing. BFF funds directed towards affordable housing on this site would likely be directed to capital costs and result in the issuance of a new RFP for the project.

**3. Operating or capital expenditures that support the creation of net new attainable ownership housing, including through modular construction.**

The BFF funding can be transferred to Oxford County to support new attainable housing within the City of Woodstock. There are no projects to suggest under this category.

**4. Capital expenditures for homelessness services centres**

One of Council's identified strategic priority action items is to:

*'Partner to support the development of a campus of services around addiction, mental health, and transitional housing.'*

One of the challenges of the current shelter operated by Operation Sharing is the number of barriers that prevent people from accessing services. While Oxford County is responsible for the delivery of services that would be classified as homelessness service centres, City Council could consider applying the BFF funding to acquire a property in partnership with Oxford County to support the creation of a new, barrier-free homelessness service centre. The creation of a dedicated 24-hour shelter facility would enable the City to address some of the related impacts affecting our community.

**RECOMMENDATION**

That Woodstock City Council direct that the funding received from the Building Faster Fund be directed towards:

1. Aldergrange and Finch Storm Water Management Pond Cleanouts and New Sidewalk construction **OR**
2. The County of Oxford to support new affordable housing within the City of Woodstock **OR**
3. The County of Oxford to support new attainable housing within the City of Woodstock **OR**
4. Partnering with the County of Oxford to acquire a property to support the creation of a new homelessness service centre;

And further that the Mayor and Clerk be authorized to execute the necessary Transfer Payment Agreement.

*Authored by: David Creery, B.A., P. Eng., Chief Administrative Officer*