



Summary of Housing-Related Measures Contained in the 2022 Federal Budget

On April 7, 2022, Deputy Prime Minister and Minister of Finance Chrystia Freeland unveiled the 2022 Federal Budget. Budget 2022 contained multiple non market housing-related measures. Measures of direct relevance to the non market housing sector include the following:

- **Launching a New Housing Accelerator Fund.** Starting in 2022-2023, \$4 billion will be allocated over five years to Canada Mortgage and Housing Corporation to launch a new Housing Accelerator Fund. This fund will be available to municipalities to advance the goal of creating 100,000 new housing units and will provide communities with the flexibility to determine the measures needed to create housing.
- **Tying federal infrastructure funding to provinces, territories, and municipalities to create more housing.** This measure is intended to leverage the significant amounts of federal funding given to other levels of government to deliver infrastructure projects. Combined with the Housing Accelerator Fund, Budget 2022 claims this will provide nearly \$43 billion in total federal funding over the next ten years to encourage the construction of homes across Canada.
- **Leveraging Transit Funding to Build More Homes.** \$750 million will be provided to municipalities on the condition that provinces and territories match the federal contribution and accelerate the construction of new homes.
- **Recapitalization and Expansion of the Rapid Housing Initiative (RHI).** A third round of the RHI will be launched with an additional \$1.5 billion in funding available for use in 2022-23. This new funding is expected to create at least 6,000 new affordable housing units with at least 25 percent of funding going towards women-focused housing projects.
- **Accelerating funding under the National Housing Co-Investment Fund (NHCF).** The existing \$2.9 billion in program funding will be expedited so that all remaining funds will be spent by 2025-26. Budget 2022 states that lessons will be taken from the RHI, to make the NHCF more flexible and easier to access, with more generous contributions and faster approvals.
- **Reforming the Rental Construction Financing Initiative (RCFI) with strengthened affordability and energy efficiency requirements.** Developers who significantly exceed the new requirements and build highly affordable and energy efficient units will be eligible to have a portion of their repayable loans converted to non-repayable loans. The Budget states that RCFI's will target a goal of ensuring that at least 40 per cent of the units it supports provide rent equal to or lower than 80 percent of the average market rent in their local community.
- **Providing one-time support to those facing housing affordability challenges.** This support will build on the Canada Housing Benefit, providing \$475 million in 2022-23 in the form of a one-time \$500 payment to those in need. Details of this measure will be announced at a later date.
- **Creating a new generation of co-operative housing development.** This measure has two parts:
 - Reallocating \$500 million of NHCF funding to launch a new Co-operative Housing Development program to expand co-op housing in Canada; and
 - Reallocating \$1 billion in loans from RCFI to support co-op housing projects.
- **Developing a Deep Retrofit Accelerator Initiative.** This measure provides \$200 million over five years, starting in 2022-23, to provide support for retrofit audits and project management for



large projects to accelerate the pace of deep retrofits in Canada, with a focus on low-income affordable housing.

- **Investing in research and development for greener construction in housing and buildings.** \$183.2 million will be allocated over seven years, starting in 2022-23, to conduct research and development on innovative construction materials and to revitalise national housing and building standards to encourage low-carbon construction solutions.
- **Adding additional funding to the Canada Greener Homes Loan program.** \$458.5 million will be added to the existing \$4.4 billion to provide additional low-interest loans and grants to low-income housing providers as part of the low-income stream of the Canada Greener Homes Loan program.
- **Providing additional funding through Reaching Home.** \$562.2 million will be provided over two years, beginning in 2024-25 to double the annual funding for the 'Reaching Home' homelessness strategy.
- **Funding additional research on homelessness.** \$18.1 million will be provided over three years, starting in 2022-23, to conduct research about what further measures could contribute to eliminating chronic homelessness.
- **Creating a new veteran homelessness program.** \$62.2 million will be provided over three years, starting in 2024-25, to launch a new Veteran Homelessness Program in partnership with community organizations that will provide services and rent supplements to veterans experiencing homelessness.
- **Investing in Housing for Indigenous Communities.** \$4 billion in First Nations housing on reserves, Self-Governing and Modern Treaty Holder First Nations, Inuit and Métis communities. \$300 million in funding, over five years starting in 2022-23, will be provided through the Canada Mortgage and Housing Corporation to co-develop and launch an Urban, Rural, and Northern Indigenous Housing Strategy. \$2 billion for long-term reform of the First Nations Child and Family Services program to target the housing needs of First Nations children.
- **Affordable Housing in the North** \$150 million over two years, starting in 2022-23, to support affordable housing and related infrastructure in the North divided between Nunavut, NWT and Yukon.