

March 21, 2025

Housing Accelerator Fund (HAF) Funding awarded to Red Deer

The City of Red Deer has been awarded the HAF2 grant by Canadian Housing and Mortgage Corporation. In total, The City of Red Deer will receive \$12 million over three years to support a variety of housing developments to increase supply in our city. This money comes with conditions. One of those conditions is for City Council to adopt four-units-as-of-right into our zoning bylaw. This means no public consultation or re-zoning will be required for landowners to increase the number of units on their property, up to four units. The City anticipates that 67 units would be created over three years with this change.

1. What is the Housing Accelerator Fund (HAF2)?

The Housing Accelerator Fund is a federal program administered by the Canada Mortgage and Housing Corporation (CMHC). It provides funding to municipalities that implement initiatives to increase housing supply and improve affordability.

2. How much funding is The City of Red Deer receiving?

The City of Red Deer has been awarded \$12 million over three years through HAF2.

3. How will the funding be used?

The funding will support various initiatives aimed at increasing housing supply and affordability. Specific projects will be determined in alignment with Red Deer's long-term growth strategy and housing needs. Some of these projects will include:

- Allowing underutilized and surplus City lands to be used for housing.
- Exploring different ways to add housing supply, which may include zoning changes, incentives, and other policy tools.
- Investing in grants and incentives to support residential development.
- Improving permitting and approvals processes to make housing development more efficient.
- Remediating lands that were previously contaminated for new housing.

These programs and policies are still being developed and will be shaped through community discussions.

4. What does “four-units-as-of-right” mean?

In simple terms, this means that property owners could choose to build up to four residential units on eligible lots without needing rezoning approvals or public consultation. This could include options like a fourplex, duplex with suites, or a main house with both basement and backyard suites. However, this does not mean every property will be redeveloped. This change would make it easier and faster to add more housing in Red Deer.

5. Has City Council already approved this zoning change?

No. The decision to adopt four-units-as-of-right will be made by the next City Council in late 2025 or early 2026. The broader question for Red Deer is how much density we want in our neighborhoods and what that looks like. The City will engage residents and businesses throughout 2025 to explore this question.

While the HAF2 funding is tied to a decision on zoning changes, Council will weigh public input, infrastructure needs, and long-term growth goals before making any decisions in late 2025 or

early 2026. If Council does not approve the change, The City would be required to return the grant funding.

6. Will every single-family home be turned into a fourplex overnight?

No. Even if four-units-as-of-right were adopted, changes would happen gradually over time, and only where landowners choose to develop. The City anticipates that 67 units would be created over three years with this change. Development depends on:

- Landowners' choices: Homeowners and property owners decide whether to add more units. If they don't want to, nothing changes.
- Market demand: Builders won't add fourplexes unless there's a need for them.
- Infrastructure and financing: Construction costs, servicing, and financing all play a role in whether more units are built.

In cities that have adopted similar policies, change happens gradually over time, not all at once. Most lots stay as they are, while some evolve as new housing is needed.

7. What are the benefits of higher density housing?

High density housing, including four-units-as-of-right, is about providing flexibility, giving property owners the option to build more housing if they choose, while ensuring Red Deer can grow in a way that meets the needs of the community.

Some of the community benefits include:

- **More housing options:** This policy would make it easier to create homes for different needs - young families, seniors, and all benefit from a wider range of housing.
- **More affordable choices:** Increasing supply helps ease pressure on rental and housing costs, giving more people access to a place to live.
- **Vibrant, complete communities:** More housing can mean more local businesses, better transit service, and stronger neighborhoods.
- **Efficient land use:** Allowing gentle increases in density helps communities grow without needing to expand outward, which can save money on infrastructure like roads and utilities.

8. How can residents provide input?

The City of Red Deer is launching a public engagement process to ensure residents and businesses can learn about the funding and share their perspectives. Engagement opportunities will begin in May or June of this year, with details available at engage.reddeer.ca.

9. What happens if Council decides not to proceed with four-units-as-of-right?

If Council does not adopt the zoning change, The City would be required to return the \$12 million in grant funding. Any expenses already incurred, including engagement costs, would be paid by The City of Red Deer.

10. What other municipalities in Alberta have been approved for this funding?

Several municipalities in Alberta have been approved for funding under the Housing Accelerator Fund (HAF) – first round, including Edmonton, Calgary, Airdrie, Banff, Sylvan Lake, Stony Plain, Westlock, Bow Island, Westlock, Smoky Lake and Duchess

11. Where can I find more information?

For updates and engagement opportunities, visit engage.reddeer.ca.

For more information, contact:



FREQUENTLY ASKED QUESTIONS

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