

To:	Warden Hicks and Members of Grey County Council
Committee Date:	July 14, 2022
Subject / Report No:	HDR-CW-12-22
Title:	Bill 184 Regulatory Changes Housing Services Act Amendments
Prepared by:	Anne Marie Shaw
Reviewed by:	Kim Wingrove
Lower Tier(s) Affected:	All
Status	

1. That report HDR-CW-12-22 regarding Bill 184 Regulatory Changes Housing Services Act Amendments be received for information.

Executive Summary

On March 30, 2022, the Province released regulatory changes to the Housing Services Act 2011, (HSA) through amendments made to the Act in 2020 by Bill 184. These new regulations effect all housing providers under the current Housing Services Act. This includes Grey County Housing and Non-Profit Housing Providers. The regulations include amendments to service and exit agreements with Non-Profit Housing Providers, service level standards for rent geared to income housingincome and asset limits for those applying for subsidized housing and changes to the coordinated access system. These changes come into effect on July 1, 2022 with full implementation by July 1, 2023.

Background and Discussion

The Community Housing Renewal Strategy released in April 2019 intended to modernize and streamline community housing service delivery. As part of the renewal the province enacted Bill 184 Protecting Tenants and Strengthening Community Housing Act, 2020. The bill detailed regulatory amendments to implement changes to the Housing Act. The changes aim to make it easier for Service Managers to meet the housing needs of their communities by sustaining existing housing and creating opportunity for new housing developments.

On March 30, 2022, the Province released two new regulations under the Housing Services Act , 2011 outlining changes in the following areas.

Ontario Regulation 242/22

New Service System Amendment:

Changes to the regulation requires the Service Manager to have an access system for providing rent geared to income (RGI) assistance or other forms of assistance that reduce rent that a household must pay and assistance paid for by the Service Manager. An example is a rent supplement program funded by the Service Manager.

Grey County currently has a coordinated access system meaning there is one application for anyone applying for Grey County Housing, the nine local nonprofits that provide rent geared to income housing, affordable housing and rent supplements. An applicant simply has to check off the buildings in which they reside. Grey County uses a database in which lists the applicants in chronological order. As a unit becomes vacant the next person on the list is offered the unit.

Grey County currently has two priorities for moving to the top of the list. The Province required that victims of domestic violence be a priority and last year council approved that one in ten offers be to someone currently experiencing homelessness and is on the by name list.

Income and Asset Limits

Currently the Housing Services Act allows Service Managers to set local RGI eligibility rules related to income and asset limits but it is not a requirement. The Auditor General recommended that the ministry develop an eligibility process to ensure that assistance is provided to households with the highest need. This regulatory change will require that Service Managers set local income and asset levels.

The regulation requires the Service Manager to:

- Set local income limits at least at the HILs
- Set local asset limits at least at \$50,000
- Service Manager has the flexibility to set different income and asset levels based on household size and type. An example is the number of bedrooms required (family size) or demographic (senior).
- The list of required asset exclusions will be updated so that Service Managers are required to exclude registered retirement plans
- Income limits determine initial eligibility only and asset limits determine both initial and continued RGI eligibility.
- Social Assistance clients are exempt from asset limit rules
- Service Managers have discretion to exempt households in extenuating circumstances
- Periodic review and update local income and asset limits

Grey County: Grey County chose in 2011 at the release of the Housing Services Act to implement asset and income limits. Grey County has an asset limit of \$50,000 and a tiered income limit depending on the number of people in a household. The income limit is based on the Household Income Limits set the Province. As the HILs change Grey County changes our income eligibility.

The Current Household Income Limits are:

- One bedroom \$34,000
- Two bedroom \$40,500
- Three bedroom \$45,000
- Four bedroom \$59,500

Actual income levels for tenants living in Grey County Housing are:

- Single person \$12,334
- Senior \$16,927
- Family \$19,351

Service Level Standards:

Service Level Standards refer to the minimum number of rent geared to income (RGI) units in a Service Manager area and are based on the number of units that were transferred at the time of devolution in 2001. Effective July 1, 2022, additional types of municipal Service manager funded housing assistance will be allowed to count towards existing service levels. Grey County is required to have 1215 units of rent geared to income housing. Grey County has 1186 units as of December 2021.

The County funded rent supplements or supportive housing units. Affordable Housing units do not qualify as they do not have a deep enough subsidy unless the unit is supported by a rent supplement, so the rent is not more than 30% of a households income.

Ontario Regulation 241/22

Service and Exit Agreements

By 2032 all time limited operating agreements and associated government subsidies under the legacy social housing programs will expire. The government has introduced new regulations for service agreements that establish a set baseline funding and operational rules between nonprofits and housing providers for the delivery of community housing.

Non-Profit Housing providers that have reached the end of their operating agreements and or mortgages are eligible to enter into a new Service Agreement with the Service Manager, with provisions related to operations, administration and funding including capital needs.

Grey County: As nonprofit provider agreements expire staff will work with the nonprofit to negotiate an agreement that establishes the following requirements:

- Provisions to continue funding rent geared to income units
- A financial plan that is reviewed every 5 years.
- A minimum agreement term length of 10 years
- Selection rules from the coordinated access list
- A process to manage issues of noncompliance and dispute resolution
- A 10-year capital plan
- Housing Providers must continue to participate in mandatory Housing Services Corporation programs with current exemptions to continue. These programs are natural gas, insurance and capital investment.

Funds currently in the Non-Profit Housing budget will fund operating expenses, capital expenses based on a 10-year capital plan, subsidies for renters and funding to support new affordable housing.

Non-Profit Housing Providers may also choose to exit the Housing Services Act framework once their agreement expires. In this case an exit agreement with the Service Manager would need to be negotiated. The exit agreement must include a plan for protecting tenants and terms that address and sale or disposition of assets and proceeds

Grey County has nine nonprofit housing providers with agreements expiring from 2023 to 2027. Grey County staff are part of a task force with Ontario Municipal Social Services Association that is developing a standardized agreement to be used by Service Managers. There will be the opportunity to add local priorities and requirements. The agreement is expected to be ready this fall.

Staff will return to council with a copy of the proposed agreement and funding formula between non profit housing providers and the County.

Legal and Legislated Requirements

As discussed above.

Financial and Resource Implications

All expenses to be covered in current housing budget

Relevant Consultation

— Internal-

— External-

Appendices and Attachments

[O. Reg. 242/22: GENERAL \(ontario.ca\)](#)

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