

To:	Warden Hicks and Members of Grey County Council
Committee Date:	July 25, 2019
Subject / Report No:	HDR-CW-09-19
Title:	Canada Ontario Community Housing Initiative and Ontario Priorities Housing Initiative Transfer Payment Agreement
Prepared by:	Anne Marie Shaw, Director of Housing
Reviewed by:	Kim Wingrove
Lower Tier(s) Affected:	All Municipalities
Status:	Recommendation adopted by Committee of the Whole as presented as per Resolution <i>CW161-19</i> ; Endorsed by County Council on August 8, 2019 as per Resolution <i>CC63-19</i> .

Recommendation

1. That report HDR-CW-09-19 pertaining to Canada Ontario Community Housing Initiative and Ontario Priorities Housing Initiative Transfer Payment Agreement be received; and
2. That a By-law be prepared authorizing the Warden and Clerk to execute the Canada Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) Transfer Payment Agreement with the Ministry of Housing; and
3. That \$723,600 in OPHI funding and \$10,627 in COCHI unbudgeted funds be approved for use in 2019.

Executive Summary

Ontario's Community Housing Renewal Strategy is a multi-year plan to grow and stabilize Ontario's community housing sector. The Canada Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative are two programs funded under an agreement with the Province and the Canadian Mortgage and Housing Corporation. A transfer payment agreement and approval of the program delivery plan and sustainability plan is required from Council to proceed with the programs.

Background and Discussion

The province has announced initiatives to improve housing affordability and access to affordable housing.

On April 17, 2019 the Province released the Ontario Community Housing Renewal Strategy. The multi-year plan aims to:

- Increase the supply and appropriate mix of affordable and adequate housing.
- Improve access to affordable housing and supports to achieve housing stability.
- Improve efficiency of community housing system to ensure value for money and long-term sustainability.

The Community Housing Renewal Strategy is complemented by the Housing Supply Action Plan which is focused on enhancing housing affordability in the broader housing market.

The Province signed a bi-lateral agreement with the Canadian Mortgage and Housing Corporation regarding the National Housing Strategy on April 30, 2018. The agreement aligns federal funds to be used with the Ontario Community Housing Renewal Strategy. The National Housing Strategy provides funding for nine years (2019-20 to 2017-28). The funding will be delivered in three three-year funding periods, the first 2019-20 to 2021-22.

The agreement provides funding for the Canada Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI).

Canada-Ontario Community Housing Initiative (COCHI)

Canada-Ontario Community Housing Initiative (COCHI) provides funds to be used to protect affordability in community housing units where existing agreements are ending, to support the repair and renewal of existing community housing supply and to expand supply.

Service Managers are required to prioritize Indigenous housing providers developed under the Urban Native Housing Program. Grey County has five such units.

Funding Allocation

2019	2020	2021
\$10,627	\$32,584	\$122,859

As part of the transfer payment agreement a sustainability plan must be provided explaining where the funds will be spent over the next three years. Funds over the next three years will go towards outstanding capital projects with our non-profit housing providers specifically our urban native housing provider. A 5% administration fee will be deducted from the funding.

Ontario Priorities Housing Initiative (OPHI)

The Ontario Priorities Housing Initiative (OPHI) is to address local housing priorities such as repair of existing units and new construction. These funds are to be used for existing programs under the former Investment in Affordable Housing Program such as Homeownership Program, Ontario Renovates Program, Rent Supplement Program and the Rental Build Program.

Funding Allocation

2019	2020	2021
\$723,600	\$374,900	\$583,600

Grey County received less funding than the three previous years under the Investment in Affordable Housing Program including the Social Infrastructure Fund. In 2019 we have an overlap of funding with \$431,500 in IAH (\$389,060 is committed to the Durham Build) and \$723,600 for OPHI.

Previous Funding Allocation Through Investment in Affordable Housing Program

2016	2017	2018	2019
\$1,712,242	\$1,901,458	\$1,350,500	\$431,500

Due to the reduction in funding over the next three years there will be some programs that will not be funded. Please refer to the chart below. Ontario Renovates and Homeownership programs have a revolving fund and any returned funding will be used to provide program funding.

The following is the proposed program delivery plan for the OPHI program.

Program	2019-20	2020-21	2021-22
OPHI Funding	723,600	374,900	583,600
Rental Build	687,420	356,155	454,420
Rent Supplement	0	0	100,000
Ontario Renovates	0	0	0
Secondary Suites	0	0	0
Homeownership	0	0	0
Administration 5%	36,180	18,745	29,180
Total	723,600	374,900	583,600

Most of the funds over the next three years will go towards completing a 90 unit affordable and market housing project in Owen Sound. Owen Sound Housing Company submitted a proposal to Grey County's expression of interest to build affordable housing. Owen Sound Housing Company has site plan approval for 90 units in three or four phases of development. In 2018 the first phase was completed, and 28 persons were housed. In 2019 an additional eight units and a community room were completed. The third phase is a 54 unit apartment building that can be constructed in two phases if required. The build will consist of 20 affordable units and 24 market units. It will be a mix of one and two bedroom units.

To keep the monthly rental amounts affordable up front funding must be provided to ensure a manageable mortgage payment to make this project viable. Over three years the County can provide \$1,497,995 in funding.

Transfer Payment Agreement

Attached is the transfer payment that requires a by law be prepared authorizing the Warden and Clerk sign the agreement. The agreement is a standard agreement between the County and the Province and has been vetted through our agreement process.

Legal and Legislated Requirements

Council approval of the program delivery and sustainability plan

A signed transfer payment agreement between the County and the Province

Financial and Resource Implications

The funds are 100% provincially funded

Relevant Consultation

Internal:

External:

Appendices and Attachments

ONTARIO TRANSFER PAYMENT AGREEMENT

for COCHI/OPHI

Version: April 29, 2019

THE AGREEMENT, effective as of _____, 2019 (the "Effective Date"),

BETWEEN:

Her Majesty the Queen in right of Ontario as represented by
the Minister of Municipal Affairs and Housing _____

("Minister")

- and -

Corporation of the County of Grey

("Service Manager")

BACKGROUND

- Canada Mortgage and Housing Corporation ("CMHC") and Her Majesty the Queen in right of Ontario as represented by the Minister of Housing ("MHO") entered into a bilateral agreement under the 2017 National Housing Strategy made as of April 1, 2018 (the "CMHC-Ontario Bilateral Agreement under the 2017 National Housing Strategy").
- The Minister is now responsible for the CMHC-Ontario Bilateral Agreement under the 2017 National Housing Strategy signed by MHO.
- The Minister has established a Canada-Ontario Community Housing Initiative ("COCHI") and an Ontario Priorities Housing Initiative ("OPHI"), pursuant to which the Minister will provide the CMHC funding and Provincial funding as applicable.
- The Minister and the Service Manager have entered into this Agreement for the purpose of establishing the Service Manager's obligations with respect to the administration of the Program and the Minister's obligation to provide funding to the Service Manager for the Program.

CONSIDERATION

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is expressly acknowledged, the Minister and the Service Manager (the "Parties") agree as follows:

1.0 ENTIRE AGREEMENT

1.1 This agreement (the "Agreement"), includes:

- Schedule "A" - General Terms and Conditions;
- Schedule "B" - Program Specific Information and Additional Provisions;
- Schedule "C" - Canada-Ontario Community Housing Initiative (COCHI);

Schedule "D" - Ontario Priorities Housing Initiative (OPHI);
Schedule "E" - French Language Services;
Schedule "F" - Communications Protocol Requirements;
Schedule "G" - Program Guidelines;
Schedule "H" - Investment Plan; and,
Schedule "I" - Canada-Ontario Community Housing Initiative Sustainability Plan.

any amending agreement entered into as provided for below, and constitutes the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

2.0 CONFLICT OR INCONSISTENCY

2.1 In the event of a conflict or inconsistency between the Additional Provisions and the provisions in Schedule "A", the following rules will apply:

- (a) the Parties will interpret any Additional Provisions in so far as possible, in a way that preserves the intention of the Parties as expressed in Schedule "A"; and
- (b) where it is not possible to interpret the Additional Provisions in a way that is consistent with the provisions in Schedule "A", the Additional Provisions will prevail over the provisions in Schedule "A" to the extent of the inconsistency.

3.0 COUNTERPARTS

3.1 The Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

4.0 AMENDING THE AGREEMENT

4.1 The Agreement may only be amended by a written agreement duly executed by the Parties.

5.0 ACKNOWLEDGEMENT

5.1 The Service Manager acknowledges that:

- (a) by receiving Funds it may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Broader Public Sector Accountability Act, 2010* (Ontario), the *Public Sector Salary Disclosure Act, 1996* (Ontario), and the *Auditor General Act* (Ontario);
- (b) Her Majesty the Queen in right of Ontario has issued expenses, perquisites, and procurement directives and guidelines pursuant to the *Broader Public Sector Accountability Act, 2010* (Ontario);
- (c) the Funds are:
 - (i) to assist the Recipient to carry out the Program and not to provide goods or services to the Minister;
 - (ii) funding for the purposes of the *Public Sector Salary Disclosure Act, 1996* (Ontario);
- (d) the Minister is not responsible for carrying out the Program;
- (e) the Minister is bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Minister in connection with the

Program or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act;

- (f) acknowledges that it has read and understands the provisions contained in the entire Agreement; and
- (g) agrees to be bound by the terms and conditions contained in the entire Agreement.

IN WITNESS WHEREOF, the Parties have executed the Agreement on the dates set out below.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO as represented by the Minister of Municipal Affairs and Housing	
Name:	Steve Clark
Title:	Minister
Date:	
Signature:	

Corporation of the County of Grey	
Name:	Selwyn Hicks
Title:	Warden
Date:	
Signature:	
Authorizing Signing Officer	

Corporation of the County of Grey	
Name:	Heather Morrison
Title:	Clerk
Date:	
Signature:	
Authorizing Signing Officer	

[Transfer Agreement COCHI and OPHI Schedule A - I](#)

[Schedule G - Program Guidelines](#)