

<b>To:</b>	Warden Hicks and Members of Grey County Council
<b>Committee Date:</b>	May 23, 2019
<b>Subject / Report No:</b>	HDR-CW-07-19
<b>Title:</b>	Ontario's Community Housing Renewal Strategy
<b>Prepared by:</b>	Anne Marie Shaw, Director of Housing
<b>Reviewed by:</b>	Kim Wingrove
<b>Lower Tier(s) Affected:</b>	All Municipalities
<b>Status:</b>	Recommendation adopted as presented by the Committee of the Whole as per Resolution <i>CW123-19</i> ; Endorsed by County Council on June 13, 2019 as per Resolution <i>CC43-19</i> .

## Recommendation

1. That report HDR-CW-07-19 pertaining to Ontario's Community Housing Renewal Strategy be received.

## Executive Summary

Ontario's Community Housing Renewal Strategy (CHRS) includes information about three new programs that will roll out as part of the bilateral agreement between Ontario and the Canadian Mortgage and Housing Corporation (CMHC) under the National Housing Strategy.

For the past three years Housing has received an average of \$1.6 million dollars from the Province for housing programs including a rental build program. The decrease in funding over the next three years especially 2020's allocation of \$374,900 will lead to the cancellation of some current housing programs.

This report also introduces three proposed regulatory amendments around rent geared to income, waiting lists and community safety under the Ontario Community Housing Renewal Strategy.

## 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.

## Funding for Three New Programs and Changes to Existing Programs

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.

According to the 2019 Ontario Budget there is approximately \$4 billion in federal, provincial and municipal contributions over the next nine years under the National Housing Strategy. This funding will support the creation of three new programs, Canada-Ontario Community Housing Initiative, the Ontario Priorities Housing Initiative and the Canada Ontario Housing Benefit.

### Canada-Ontario Community Housing Initiative (COCHI)

Canada-Ontario Community Housing Initiative (COCHI) is a new program for Community Housing only. Community Housing is defined as social housing, affordable housing and non-profit housing. The funds are to be used to protect affordability in community housing units where existing agreements are ending. The funds can also be used to support the repair and renewal of existing community housing supply and expand supply. Funding under the Canada-Ontario Social Housing Agreement has been declining. This funding is a reinvestment in funds to be used toward capital projects.

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

### 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. This funding stream has added in Supports for Rental Housing as another option for programming.

## Funding Allocation

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

In 2019 there is \$431,500 in committed funding from the previous agreement with the Province. This provides \$1,155,100 in funding for 2019 with the combination of the former Investment in Affordable Housing Funds and the new COCHI funds.

Existing programs will be impacted or cancelled with the existing level of funding over the next three years.

## Previous Funding Allocation Through Investment in Affordable Housing Program

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

## Canada Ontario Housing Benefit

The third program a Canada Ontario Housing Benefit is set to launch April 2020. Very little is known at this time as to details around the benefit. The province has confirmed they will be negotiating with CMHC on program design.

## Proposed Regulatory Amendments

The Province is proposing regulatory amendments under the Housing Services Act, 2011 in three areas: simplifying rent geared to income rules, improving waiting lists and creating safer communities. The Housing Services Act, 2011 provides the legislative and regulatory framework for social housing in Ontario. Comments are due to the Province by July 1, 2019.

## Simplifying Rent Geared to Income Rules

The current rules around rent geared to income calculations are complex and difficult for tenants to understand. The province is proposing a simpler calculation based on income tax information. The changes would take effect as of July 2021. Other proposed changes are around year in rent changes and income exemption for full time students.

**Impact:** These changes are welcome as it will provide an easier process for staff and tenants. Rent calculations will be easier to understand for the tenant and more predictable.

The only concern with using tax information to set rents is that there are a number of tenants who do not complete their taxes. Housing has been active in trying to encourage tenants to file by having volunteer tax clinics on site or a list of local tax clinics available to tenants.

## Improving Waiting Lists

Service Managers are designated to administer and manage waitlists for access to rent geared to income housing in social housing. The changes being proposed to Regulation 367/11 relate to local eligibility rules for refusal of offers of rent geared to income housing and tenant transfers between housing providers.

Currently a person has three refusals of housing before they no longer qualify for rent geared to income housing. The proposed change would make households on waiting lists ineligible for RGI assistance if they refuse their first offer of housing except in extenuating circumstances as determined by the Service Manager.

**Impact:** This change would help prioritize access for those most in need. The process of offering a unit can be time consuming as the process includes setting up viewings, verifying assets, and giving time for a decision. In some cases, staff are offering the unit multiple times before the unit is taken. This increases the time a unit is vacant, which makes the wait longer for applicants and is a loss of income for the housing provider.

This change will require staff to work with the applicant to apply for appropriate properties based on their individual needs. In the current system an applicant can put their name on every building in the County and then often turn down a unit if it does not suit their needs.

There are exceptions to allow a household to refuse an offer without being removed from the list. These exceptions may include hospitalization or health issues or changes in day care or employment.

Currently if a tenant wishes to transfer to another housing provider they must go on the centralized waitlist. This proposal would allow Service Managers greater flexibility to allow transfers between housing providers to ensure increased efficiency. If the Service Manager retains the ability to set internal transfer guidelines this will control the number of transfers and ensure appropriate transfers between housing providers otherwise there could be an increase in costs due to an increase in transfers.

## Creating Safer Communities

The Province is suggesting that Service Managers be given the ability to refuse to offer a unit to a household on the waiting list if a member of the household had previously been evicted due to serious illegal activity. This is currently not allowed under the regulatory framework. The Service Manager has no ability to refuse to offer a unit to a household.

**Impact:** The proposed change will allow Service Managers some ability to reduce crime and violent acts in community housing and provide a safe environment in community housing. Fortunately, Grey County does not have many incidences of serious violence or crime, but this would provide the ability to refuse a household, so that residents feel safe in their homes.

## Legal and Legislated Requirements

Link to the Community Housing Renewal Strategy and proposed regulatory changes:

<https://www.ontario.ca/page/community-housing-renewal-strategy>

## Financial and Resource Implications

Limited programing and the cancellation of some current programs due to reduction in annual funding.

## Relevant Consultation

Internal:

External:

## Appendices and Attachments

None.