 Committee Report

# Report HDR-SS-03-15

**To**: Chair Burley and Members of the Social Services Committee

**From**: Anne Marie Shaw, Director of Housing

**Meeting Date:** February 11, 2015

**Subject: Investment in Affordable Housing 2014 Extension Program Delivery Plan**

**Status**: Recommendation adopted by Committee as presented per Resolution SSC31-15; Endorsed by County Council March 3, 2015 per Resolution CC43-15;

## Recommendation(s)

**WHEREAS the County of Grey has entered into an agreement with the Province to administer the Investment in Affordable Housing (IAH) for Ontario 2014 Extension Program;**

**NOW THEREFORE BE IT RESOLVED THAT Report HDR-SS-03-15 be received;**

**AND THAT the Program Delivery and Fiscal Plan (PDFP) for the Investment in Affordable Housing for Ontario 2014 Extension program as required by the signed Investment in Affordable Housing for Ontario 2014 Extension Agreement, by law 4871-14 and as recommended by staff be approved;**

**AND THAT the $4,060,700 in funding over the remaining five years be added to the Housing Department budget for the Investment in Affordable Housing 2014 Extension Program; $908,60 for 2015, $908,000 for 2016, $907,400 for 2017, $905,200 for 2018 and $431,500 for 2019 to be expensed according to program guidelines.**

**AND THAT the following program amounts for 2015 be revised in the 2015 budget:**

* **Homeownership $154,000**
* **Rent Supplement $216,000**
* **Ontario Renovates $493,170**
* **Administration $ 45,430**

## Background

The Investment in Affordable Housing for Ontario 2014 Extension program (IAH) is a federal and provincial program to provide funding for the creation and repair of affordable housing. The IAH (2014 Extension) is based on the principles of Ontario’s Long-Term Affordable Housing Strategy and is a continuation of the Canada-Ontario Affordable Housing Program (AHP). The IAH Program originally began in 2011 and has now been extended until March 31, 2020 with six more years of funding. The Province previously released Grey County’s first year notional allocation under the IAH in the amount of $519,100. The remaining allocation for the final five years of the program of $4,030,700 has been allocated to Grey County and requires a Program Delivery and Fiscal Plan.

## Service Delivery Plan

Service Managers have been given local flexibility to deliver program components that meet local needs and priorities. In previous years of the IAH program, the Homeownership, Ontario Renovates and Rent Supplement programs have been popular and provided the necessary options for repairing, obtaining or maintaining housing for residents of Grey County.

The Rental Housing Program component provides funding to increase the supply of rental housing by providing funding to eligible build projects for safe, adequate and affordable rental housing. Throughout the next five years there may be opportunity to support a small number of new affordable units in Grey County through this program. The role of the Service Manager is to solicit proposals and select rental housing projects to recommend to the Ministry for funding approval.

The following programs and allocations are proposed for 2015-2019 to meet local needs and provide optimum usage of Grey County’s allocation and provide access to approximately 200 units of affordable housing over the next five years. There is flexibility to move funding from program to program.

### Investment in Affordable Housing Service Delivery Plan

| Program | 2015 | 2016 | 2017 | 2018 | 2019 |
| --- | --- | --- | --- | --- | --- |
| Rent Supplement Program | 216,000 |  |  | 72,200 |  |
| Ontario Renovates | 293,170 | 262,600 | 212,030 | 262,740 | 259,925 |
| Domiciliary Hostels | 200,000 | 50,000 |  |  |  |
| Homeownership | 154,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Rental Housing |  | 400,000 | 500,000 | 375,000 |  |
| Administration Fees | 45,430 | 45,400 | 45,370 | 45,260 | 21,575 |
| **Total** | **$908,600** | **$908,000** | **$907,400** | **$905,200** | **$431,500** |

## \*Future years subject to change

## Homeownership Program

The Homeownership Program provides a 5% down payment in the form of a forgivable loan over 20 years. To qualify, households must make under the maximum household income level and the house must be under the average resale price as determined by the Province. It is estimated the funding from the IAH program will provide approximately 65 homeownership down payments over the next five years.

## Rent Supplement Program

The Rent Supplement program provides households with a monthly subsidy. The subsidy is the difference between what a household can afford and the actual market rent of a modest unit up to $200 a month. The previous IAH program provides 55 on going rent subsidies. To qualify, households must make under the Household Income Limits as determined by the Province and the rent must be at or below the average market rent for the area. It is estimated the funding from the IAH Program will provide approximately 20 more rents supplements over the next five years

## Ontario Renovates Program

Ontario Renovates assists low to moderate income home owner households to repair their home and increase the accessibility of their home through modifications and adaptations. Major repairs could include but are not limited to heating systems, doors and windows, roofs, electrical systems and plumbing. Modifications for accessibility could include ramps, handrails, chair and bath lifts, cues for doorbells and fire alarms. Forgivable loans of up to $15,000 are provided for repairs and secured with a promissory note. The Ontario Renovates Program has been a very successful program for the County of Grey. In the last three years 107 homeowners have received a total of $1,208,868 committed to improve or maintain their ability to stay in their homes. This amounts to an average of approximately $11,200 per home. It is estimated the funding from the IAH Program will provide approximately 110 more Grey County homes with renovations over the next five years.

Under the IAH program Domiciliary Hostels and Shelters for Victims of Domestic Violence are now eligible to receive funding for necessary capital repairs and upgrades. $250,000 is allotted to work with our six hostels and one shelter to improve life safety systems as necessary and provide capital repair funding.

## Rental Housing

The Rental Housing Program component provides funding to increase the supply of rental housing by providing funding to eligible build projects for safe, adequate and affordable rental housing. Units are to be self-contained, follow provincial average size requirements, have all required municipal approvals, be financially viable, meet eligibility criteria, and be able to start construction within 120 days of a signed agreement. Proposals are recommended by council and submitted to the Province for approval. The program requires that rents remain at 80% of average market rent for the area as set by the Canadian Mortgage Housing Corporation for 20 years on funded units. Throughout the next five years there is opportunity to support a small number of new affordable units in Grey County through this program.

## Financial / Staffing / Legal / Information Technology Considerations

$4,060,700 in federal/provincial funding provided to the County of Grey for the five years (2015-2019) of the Investment in Affordable Housing Program.

This program will have a neutral impact on the County as no levy funds will be required.

5% of total allocated funds are eligible for administration costs.

## Link to Strategic Goals / Priorities

The Investment in Affordable Housing 2014 Extension Program funds will assist in the implementation of the County of Grey Housing and Homelessness 10 Year Plan 2014-2024.

## Attachments

[Investment in Affordable Housing (2014 Extension) Allocation Letter](https://greydocs.ca/urm/idcplg?IdcService=GET_FILE&dDocName=GC_243377&RevisionSelectionMethod=LatestReleased&Rendition=Web)

Respectfully submitted by,

Anne Marie Shaw
Director of Housing

