

**Ministry of
Municipal Affairs
and Housing**

Office of the Minister

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April 17, 2019

Mr. Selwyn Hicks
Warden
County of Grey
County Building, 595 Ninth Avenue East
Owen Sound ON N4K3E3

Dear Warden Hicks: *Selwyn*

Our government for the people understands the importance of housing that is affordable, adequate and accessible, and that meets the needs of Ontario's diverse communities and populations. Despite the significant budget challenges our government faces, I am pleased that we will support critical continued housing investments and leverage federal funding under the National Housing Strategy through new provincial investments. I am writing to you today to outline funding for housing and homelessness programs as confirmed through the 2019 Ontario Budget.

My Ministry will be providing over \$1 billion in transfer payments for housing and homelessness programs in 2019-20, inclusive of federal transfers. As we work to address the province's fiscal circumstances, total transfers will decrease slightly in 2020-21 to just under \$1 billion and will return in 2021-22 to just over \$1 billion, subject to future multi-year budget decisions. This funding envelope enables us to maintain commitments to existing programs and use a flexible approach to cost-match funds for the National Housing Strategy over a multi-year period. The vast majority of these transfer payment programs flow through Service Managers.

This letter provides further program-by-program information and your specific allocations are detailed in an attachment.

Ongoing Programs

The **Investment in Affordable Housing for Ontario (2014 Extension)** program has successfully helped communities to build affordable rental housing, make home ownership attainable for lower-income Ontarians and offer funding for much-needed repairs. Federal funding under this program concluded in 2018-19. Our government is committing \$80.1 million in 2019-20 to complete the cost-matching requirements under this program. I am pleased to confirm your funding allocation for this final year of program funding, consistent with the previously communicated planning allocation.

To support communities across Ontario in their efforts to prevent and address homelessness, the **Community Homelessness Prevention Initiative (CHPI)** provides a flexible, outcomes-based, and accountable approach to funding. Despite the significant fiscal challenges this government faces, I am pleased we are able to maintain this critical funding in 2019-20 at the 2018-19 level of \$323.7 million and to increase funding to a new base of \$338.7 million beginning in 2020-21.

New Programs

Today I announced our government's Community Housing Renewal Strategy – a multi-year plan to sustain and grow our community housing system. Two new programs are being launched in 2019-20 to support this Strategy, leveraging federal investments under the bilateral agreement between the Ministry of Municipal Affairs and Housing and Canada Mortgage and Housing Corporation.

The **Canada-Ontario Community Housing Initiative (COCHI)** will provide funding to replace the federal Social Housing Agreement funding that expires each year, beginning 2019-20. Total federal funding under this program is \$33.2 million in the current year, \$81.0 million in 2020-21 and \$112.1 million in 2021-22.

The federal government has acknowledged that their funding for social housing has declined over time and through their funding of the Canada-Ontario Community Housing Initiative federal social housing investments will be maintained at about the 2018-19 levels. Over the period that federal expenditures have been declining, municipal expenditures on social housing have been growing. As allowed under the bilateral agreement, current municipal spending on social housing will be used to count as the cost-matching required under this program.

This funding can be used to repair, regenerate and expand community housing and to protect affordability support for tenants. It can be used to support community housing providers whose original program arrangements are expiring and help them to become more sustainable. Service Managers will be given significant flexibility to determine priorities locally, in consultation with their housing providers. In addition, consistent with the bilateral agreement, Service Managers will be required to give priority to Indigenous providers under the Urban Native Housing program who have expiring operating agreements, where these exist.

Your allocation amounts are equivalent to the amount of funding you are losing under the Social Housing Agreement each year.

Note that in addition to allocations to Service Managers, Canada-Ontario Community Housing Initiative funding is also being made available to support other housing providers who have received legacy Social Housing Agreement funding through provincial ministries, such as supportive housing providers.

The **Ontario Priorities Housing Initiative** will also launch in 2019-20, providing flexible funding to all 47 Service Managers and the two Indigenous Program Administrators to address local priorities in the areas of housing supply and affordability, including new affordable rental construction, community housing repair, rental assistance, tenant supports and affordable homeownership. The design of this program will build on our joint success in the delivery of the Investment in Affordable Housing Program.

Our government is committed to fully cost-match this program. Total federal and provincial funding of \$123.3 million in 2019-20, \$65 million in 2020-21 and \$99.9 million in 2021-22 will be available to allocate under the program. Provincial spending of \$34.7 million from existing programs across 2018-19 and 2019-20 will be counted towards the cost-matching requirement.

Canada-Ontario Housing Benefit

The province plans to begin negotiations with the Canada Mortgage and Housing Corporation shortly to finalize the program design and amend the bilateral agreement for the **Canada-Ontario Housing Benefit**. This will allow housing benefits to begin flowing to Ontario households beginning April 2020, when federal funding becomes available.

In the meantime, the province will continue to provide portable housing benefits to **Survivors of Domestic Violence and Human Trafficking** who are eligible under the Special Priority Policy and who choose to take a portable housing benefit as an alternative to waiting for a rent-geared-to-income unit to become available. This critical program is available province-wide and provides benefits that are portable across the province, enabling recipients to make the housing choices that are best for them. \$10 million is available for this program in 2019-20.

Once the Canada-Ontario Housing Benefit becomes available, we plan to continue to support these households – as well as others – through the new benefit program.

Next Steps

Additional details concerning these initiatives, including Program Guidelines and a draft Transfer Payment Agreement for new programs, will be shared with your staff in the coming days.

I am pleased that our government for the people is able to continue to support the important work that you do to improve housing outcomes in your community, while we also work to improve Ontario's overall fiscal situation. I look forward to continuing our work together.

Yours truly,



The Honourable Steve Clark
Minister of Municipal Affairs and Housing

- c. Ms. Kim Wingrove, Chief Administrative Officer, County of Grey
Ms. Anne Marie Shaw, Director of Housing, County of Grey

APPENDIX –FUNDING ALLOCATIONS

County of Grey

Program	2019-20 Confirmed Allocation	2020-21 Planning Allocation	2021-22 Planning Allocation
Investment in Affordable Housing for Ontario (2014 Extension)	\$431,500	N/A	N/A
Community Homelessness Prevention Initiative	\$1,816,494	\$1,888,303	\$1,888,303
Canada-Ontario Community Housing Initiative	\$10,627	\$32,584	\$122,859
Ontario Priorities Housing Initiative	\$723,600	\$374,900	\$583,600