

Purpose

This report outlines the release of a new program from the Ministry of Municipal Affairs & Housing (the Ministry) called the Canada-Ontario Housing Benefit (COHB) through the Community Housing Renewal Strategy. This report requests approval to continue to participate in the existing program areas, as well as enter into a Transfer Payment Agreement with the Province for the new COHB program.

Executive Summary

On April 17, 2019, the Ministry of Municipal Affairs and Housing announced the launch of the Community Housing Renewal Strategy (the Strategy); a multi-year plan to sustain and grow the community housing system with the aim to achieve:

- an increased supply and appropriate mix of affordable housing,
- improved access to affordable housing and supports that meet individuals' needs to achieve housing stability, and
- improved efficiency of the community housing system to ensure value for money and long-term sustainability.

This report requests approval to participate in the three (3) funded programs, Canada Ontario Community Housing Initiative (COCHI), Ontario Priorities Housing Initiative (OPHI), and Canada Ontario Housing Benefit (COHB).

Community Housing Renewal Strategy

In 2019, two (2) funded programs were launched in Greater Sudbury. The Canada-Ontario Community Housing Initiative (COCHI), and the Ontario Priorities Housing Initiative (OPHI) (Appendix A – COCHI & OPHI Guidelines). The funding for these programs provided an opportunity for Service Managers and housing providers to address challenges associated with projects reaching the end of their operating agreement and/or mortgage maturity. Service Managers received information related to their notional allocation.

The proposed allocation for Greater Sudbury is as follows:

Program	2019-2020 Confirmed Allocation	2020-2021 Planning Allocation	2021-2022 Planning Allocation
Investment in Affordable Housing for Ontario (2014 extension)	\$838,300	N/A	N/A
Home For Good (Phase I) – Operating	To be Determined	To be Determined	To be Determined
Canada-Ontario Community Housing Initiative (COCHI)	\$607,628	\$1,457,726	\$2,486,554
Ontario Priorities Housing Initiative (OPHI)	\$1,381,900	\$715,900	\$1,114,600

All proposed allocations must be utilized within the program year. Funding cannot be transferred from one year to the next if underspending occurs.

COCHI & OPHI Allocations

Once the Ministry has confirmed the 2020-2021 allocations for both COCHI & OPHI, Housing Services will enter into a rent supplement agreement with Native People of Sudbury Development Corporation to address the challenges associated with projects reaching the end of their operating agreements. In April 2020 there will be 20 units which fall within this category. By offsetting the rents with rent supplement funding, the Native People of Sudbury Development Corporation will have the capacity to keep their rents affordable as well as balance their annual budget.

The balance of the funds will be used to offset capital costs amongst non profit and cooperative community housing projects whose capital reserves are not sufficiently funded. Business cases were submitted to Housing Services and financial reviews were completed by the Coordinator of Financial Services to ensure the business cases met the guidelines. Amaresco Asset Planner data was also used to ensure that the requests made in the business cases were aligned.

New Program – Canada-Ontario Housing Benefit (COHB)

The Canada-Ontario Housing Benefit is a federal-provincial housing allowance program launching on April 1, 2020. The purpose of the COHB is to increase the affordability of rental housing by providing an income-tested, portable housing benefit (PHB) payment directly to eligible households in need that are on, or are eligible to be on social housing centralized wait lists and to households in financial need living in the community. The guidelines for this new funding opportunity are attached. (Appendix B – COHB Program Guidelines).

Housing Services identifies households who may be eligible and assists with the application submission, while the Ministry of Finance (MOF) confirms eligibility and issues payments directly to the households. The monthly payment amount is calculated using the household's net income as determined using relevant tax information. ServiceOntario will be the ongoing point of contact for households once they are enrolled in the program regarding inquiries and to report changes.

The target groups who will receive priority for the portable housing benefit are as follows:

- Persons experiencing or at risk of homelessness,
- Indigenous persons,
- Seniors, and
- Persons with disabilities.

Service Managers are provided with annual planning allocations for the benefit payments for successful applications, administration costs, and reimbursement of first and last month's rent (if applicable), for each fiscal year.

Greater Sudbury's proposed allocations are as follows:

- 2020-2021: \$345,045
- 2021-2022: \$452,112 (increase of \$107,067 from year 1 funding).

The province will retain COHB funding for each fiscal year for payments to households approved in previous years.

The following process will take place:

- Households complete rent-geared-to-income application to determine that they are eligible to reside in community housing.
- Once eligibility is determined, households complete COHB application with the assistance of Housing Services staff.
- Completed COHB application and accompanying documentation is forwarded to the Ministry of Finance (MOF) to determine eligibility for COHB program.
- Eligible applicants will receive a monthly benefit based on the difference between 80% of average market rent of Greater Sudbury rental units as determined by Canada Mortgage and Housing Corporation (CMHC), and 30% of their adjusted family net income (line 236 of Income Tax Return).
- Eligible applicants must be removed from the Social Housing Wait List in order to remain eligible.

- Payments are issued by MOF directly to the households and will be subject to an annual review process. Households who are eligible may also receive first and last month's rental assistance directly from Service Managers, where appropriate.

The provincial and federal governments have committed to funding the program for approximately nine (9) years.

Next Steps

In order to ensure that Housing Services meets all required deadlines of the Community Housing Renewal Strategy with the Ministry of Municipal Affairs and Housing, the Manager of Housing Services is requesting authorization to submit all relevant documentation (i.e. transfer payment agreement(s), investment plan(s), etc.) related to the three (3) funded programs to the Ministry for their review and approval. A by-law will need to be executed in order to comply with funding guidelines.

An update of the three (3) funded programs will be provided in Q3 of 2020.

Resources Cited

Ministry of Municipal Affairs & Housing, Community Housing Renewal Strategy,
<https://www.ontario.ca/page/community-housing-renewal-strategy>

Community Housing Renewal Strategy Report, Community Services Committee meeting, June 3, 2019,
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&id=1354&itemid=16871&lang=en>

Community Housing Renewal Strategy Update, Community Services Committee meeting, November 18, 2019,
<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&lang=en&id=1359&itemid=17555>