

The background of the slide is a photograph of a modern, multi-story building with a curved facade and large windows. Two prominent, cylindrical clock towers stand in front of the building, each featuring a large, white clock face. The sky is a clear, bright blue with a few wispy clouds. The overall scene is well-lit, suggesting a sunny day.

IMPLEMENTING HOUSING REGULATORY AMENDMENTS AND CANADA-ONTARIO HOUSING BENEFIT PROGRAM

Presented to
COMMITTEE OF THE WHOLE

Presented by
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MARCH 12, 2020

The logo for York Region, featuring a stylized white starburst or 'Y' shape above the text 'York Region' in a white, serif font.

York Region

OUTLINE

1. Roles and responsibilities in the housing sector
2. Update on provincial regulatory amendments under the *Housing Services Act, 2011*, including:
 - Refusal of offers of housing
 - Rent-gearred-to-income
3. Overview of the Canada-Ontario Housing Benefit Program, implications and next steps

HOUSING ROLES AND RESPONSIBILITIES

Canada 

Federal Role

Leads the **National Housing Strategy**, a \$55+ billion funding commitment over 10 years to build and repair affordable housing

Ontario 

Provincial Role

As **System Steward**, sets the policy framework for community housing through legislation


York Region

Regional Role

As **Service Manager**, delivers and funds community housing and programs

SUBSIDIZED HOUSING WAIT LIST PROCESS



1. Application process and eligibility assessment



2. Wait list placement and application maintenance



3. Building selection and move in ready process



4. Offer of housing by housing provider



5. Acceptance or refusal of offer and wait list updated

Special Priority Applicants



PROVINCIAL COMMUNITY HOUSING REGULATORY AMENDMENTS

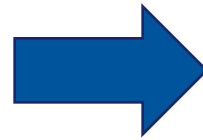
COMMUNITY HOUSING RENEWAL STRATEGY

- In April 2019, the provincial **Community Housing Renewal Strategy** was announced, including *Housing Services Act, 2011* regulatory amendments
- Amendments relate to:
 - Administration of the subsidized housing wait list
 - Calculation of rent-gear-to-income (RGI)
 - Tenant transfers
 - Community safety

REFUSALS OF OFFERS OF HOUSING

Current Status

- Subsidized housing wait list applicants in Ontario may refuse **up to three offers** of housing in their buildings of choice before their application is cancelled



As of July 1, 2020

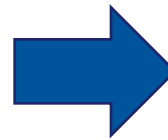
- Applicants will receive **one offer of housing**
- Refusing the offer will result in application being cancelled
- Service Managers have the ability to set exemptions

Regional Council made a request for this regulatory change to the Province of Ontario in March 2018

RGI CALCULATIONS

Current Calculation Method

- Current income is used to calculate RGI rent
- RGI rent is re-calculated whenever a household's income changes
- Minimum rent payable by households is \$85/month



As of July 1, 2020

- Tax return from previous year used to calculate RGI rent
- RGI rent is re-calculated annually
- In-year reviews are permitted under limited circumstances
- Minimum rent is \$129/month, indexed annually

Changes to RGI will improve administrative efficiency, and provide households with more predictable and transparent rent calculations

RENT SCALES AND MAXIMUM SHELTER RATES

Rent scales for Ontario Works and Ontario Disability Support Program artificially shift costs to Service Manager tax levy

Individuals in the household receiving assistance	ODSP Maximum Shelter Allowance	ODSP Rent Scale in Community Housing	Difference
1	\$497	\$109	\$388
2	\$781	\$199	\$582
3	\$846	\$236	\$610
4	\$918	\$278	\$640

RECOMMENDATIONS

1. The Regional Chair submit a letter to the province, requesting the province to align rent scales with maximum shelter rates
2. The Regional Clerk circulate this report to Members of Provincial Parliament representing York Region

CANADA-ONTARIO HOUSING BENEFIT PROGRAM

CANADA-ONTARIO HOUSING BENEFIT

Overview

- Provides portable housing benefits directly to eligible renter households

Program Delivery

- Funded by the federal and provincial governments
- The province will deliver the program
- The Region will have an administrative role

Duration

- Time-limited, April 1, 2020 – March 31, 2029

Eligibility

- On a subsidized housing wait list, or eligible to be on a wait list
- Not receiving any other government housing benefits
- Consent to being removed from the wait list

NEW FUNDING FOR YORK REGION

- York Region's initial funding allocation from 2020 to 2022 is **\$4.3M**, as follows:
 - April 1, 2020 – March 31, 2021: **\$1,866,669**
 - April 1, 2021 – March 31, 2022: **\$2,445,891**
- Annual program funding from 2022 to 2029 will be allocated in phases

IMPACTS TO YORK REGION

- The Region's role is to refer households to the program and support them in making informed decisions
- The number of households served will depend on household size and composition against available budget
- The program could support approximately
 - 260 households in year one
 - Up to 340 households by 2022

IMPLEMENTATION CHALLENGES IN YORK REGION

York Region's short supply of rental choices will limit the program's success

- **Private housing market pressures**



- York Region has the lowest proportion of purpose-built rental housing in the Greater Toronto Area (GTA)
- In 2019:
 - Vacancy rate was 1.2%
 - Average resale price for homes rose above \$940,000

- **Declining federal and provincial funding for new construction**



- Federal and provincial funding for new construction is expected to taper off by 2027 – 2028

IMPLEMENTATION CHALLENGES IN YORK REGION

Program guidelines limit York Region's flexibility in administering the program

- **The program is time limited and may not reduce the wait list**



- Risk of funding terminated beyond the March 2029 commitment
- Households that accept a rent benefit will come off the subsidized housing wait list, but may reapply

- **CMHC rents used to calculate the benefit do not reflect market rents in York Region**



- Households participating in the program may be required to pay a significantly higher portion of their income towards rent
- A single senior receiving pension income could pay up to 60% of their income on rent, resulting in a continuing affordability gap

RECOMMENDATIONS

1. The Regional Clerk circulate the report to Members of Parliament and Members of Provincial Parliament representing York Region
2. The Regional Chair submit a letter requesting the federal and provincial governments provide increased funding to support the construction of new affordable rental units in York Region
3. The Regional Chair submit a letter requesting the federal and provincial governments to allow Service Managers to align the Canada-Ontario Housing Benefit maximum market rent to amounts that reflect the rental market realities of their communities

THANK YOU

For more information

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