

MEMORANDUM

To: Members of Committee of the Whole

From: Katherine Chislett
Commissioner of Community and Health Services

Date: October 24, 2019

Re: Ontario Priorities Housing Initiative and Canada-Ontario Community
Housing Initiative - Investment Plan Update

In [June 2019](#), Council authorized participation in the Ontario Priorities Housing Initiative (Housing Priorities Initiative) and the Canada-Ontario Community Housing Initiative (Community Housing Initiative) and delegated authority to the Commissioner of Community and Health Services to approve and submit the required Investment Plan to the Province and report back to Regional Council. The Investment Plan was submitted to the Province on September 13, 2019. This memorandum outlines the Investment Plan by funding allocation and program stream.

New housing programs will help increase and preserve the supply of rental housing and improve housing stability for residents

On April 17, 2019, the Province announced a Community Housing Renewal Strategy which included two new programs, the Housing Priorities Initiative (approximately \$17.4 million over three years) and the Community Housing Initiative (a one-time contribution of \$51,493). The programs are cost-shared through a bilateral agreement between the provincial and federal governments under the National Housing Strategy. Both programs provide flexible funding to Service Managers to address local housing priorities. Service Managers may use the funding allocations for community housing repairs and renovations, rental assistance, tenant supports, affordable home ownership and new affordable rental construction. The Province defines affordable rental as having average rents no greater than 80% of Canada Mortgage and Housing Corporation average market rent.

The Region was allocated \$17.4 million in federal/provincial funding for housing programs from 2019 to 2022

In September 2019, the Region submitted an Investment Plan to the Ministry of Municipal Affairs and Housing allocating approximately \$17.4 million for housing programs, over the next three years. Attachment 1 outlines allocations by funding stream.

The Region's Investment Plan was developed with the following priorities:

- Maintaining support for households currently receiving housing allowances under the Investment in Affordable Housing – Extension Program. The existing program ends in June 2020
- Meeting community needs, such as increasing the supply of rental housing and improving housing stability for residents
- Keeping the existing supply of community housing in a good state of repair

The Investment Plan balances funding and community housing needs

The majority of the federal/provincial funding is under the Housing Priorities Initiative, providing approximately \$17.4 million for operating and capital program components. The funding will be used to address local priority areas for housing supply and affordability, including new affordable rental construction, repairs and renovations, and rental assistance.

The funding will be used to support:

- Development of approximately 100 units owned by Housing York Inc. in the Town of Whitchurch-Stouffville (land acquisition approved by Council [June 2018](#))
- New supply for non-profit partners will help increase the overall supply of community housing, adding approximately 26 units
- Capital repairs in existing community housing buildings (excluding Housing York Inc.), will ensure existing units are maintained in a state of good repair
- Housing allowances for up to 50 homes in the [Home Now Program](#) who are currently experiencing or who have experienced chronic homelessness
- Maintaining the existing Housing Allowance program, providing housing allowances for up to 135 existing clients to help them afford their housing in private market rental housing while they wait for a subsidized unit

The Community Housing Initiative provides a one-time contribution of \$51,493 to existing community housing providers. Due to the limited program budget and strict program guidelines, it will be used to fund capital repairs for housing providers.

The program guidelines allow Service Managers to use up to 5% of their annual funding allocation to cover administration costs for both programs. The funds will be invested into program spending, as needed.

Program funding is provided on a “use it or lose it” basis

Both programs provide funding on a “use it or lose it” basis. Capital funding for new rental housing projects must be committed by December 31st of each program year, and construction must begin within 120 days. Operating funding must be spent within the program year for which it was allocated and cannot be re-allocated between program years.

To ensure that funding is spent within the tight timelines, Regional staff will provide support where necessary to community housing providers with capital projects or redevelopment, as they may need additional planning time and resources.

The programs are fully funded by the federal and provincial governments and are not subject to cost sharing requirements by the Region.

The Housing Priorities Initiative funding will help meet community needs

York Region’s population is growing and diversifying, housing costs continue to rise and outpace incomes, and there is a limited amount of rental housing supply. There is also a need to preserve and expand the supply of community housing and keep residents stably housed. This funding will help the Region and housing providers meet community needs by preserving and increasing the supply of community housing.

As communicated to Council in [October 2019](#) this new funding will advance the goals under *Housing Solutions: A place for everyone Phase 2 (2019-2023)*, which include increasing the supply of affordable and rental housing, helping people find and keep housing and strengthening the housing and homelessness system.

Next Steps

Annual Investment Plans will be submitted to the Province outlining planned financial commitments and forecasted take-up under authority delegated by Council to the Commissioner of Community and Health Services. In accordance with provincial guidelines, staff will also complete quarterly reporting to the Ministry of Municipal Affairs and Housing and will monitor spending and reallocate funding as needed to ensure the Region's funding allocation is fully committed.

Katherine Chislett
Commissioner of Community and Health Services

Bruce Macgregor
Chief Administrative Officer

Attachments (1)
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