

Affordable Housing

Introduction and Overview A Local Perspective

June 4, 2019



Outline

- **Background:** Service Manager Role, Transferred Housing, Focus, Definition of Affordable Housing
- **National Housing Strategy:** Focus, Investments
- **Community Housing Renewal Strategy:** What is community housing, Focus & Key Priorities, New Programs, Legislative Changes
- **More Homes, More Choice: Ontario Housing Action Plan (Bill 108):** Ontario's Five Point Plan, Legislative Changes
- **Local Perspective:** Investments, Community Housing, Private Sector Housing
- **Policy & By-law Update:** Official Plan, Secondary Plans, Zoning Bylaw, Secondary Suites
- **Conclusion, Next Steps & Future Decisions:** Adopting Housing Targets and the Housing & Homelessness Plan

Background

Service Manager Role, Transferred Housing, Focus, Definition of Affordable Housing

Service Manager Role



As Service Manager under the *Housing Services Act (HSA)*, the City's role is to administer and fund housing and homelessness programs in both the City of Kawartha Lakes & the County of Haliburton including:

- 10 year Housing & Homelessness Plans
- Regulate and fund transferred housing providers in our service area
- Maintain Service Level Standards
- Administer the centralized housing waiting list
- Set policies where local rules can be established
- Deliver and ensure ongoing compliance for new housing programs
- Deliver and ensure ongoing compliance for homelessness programs and services

Under Ministry of Municipal Affairs and Housing (MMAH)

Transferred Housing Units (sometimes referred to as social housing)

- Service Level Standard established at transfer – 871 units
- Transferred providers include
 - KLH Housing Corp (755 units)
 - Neighbourhood Housing in Lindsay (8 units)
 - Fenelon Area Independent Living Association (25 units)
 - Staansworth Non Profit Housing Corporation (74 units)
 - Haliburton Community Housing Corporation (90 units)
 - Monmouth Township Non Profit Housing Corporation (34 units)
- The total units for each Housing provider includes any market units which are administered independently



Affordable Housing Units

- Created with new federal/provincial housing programs following the transfer
- Affordable Housing providers include:
 - Fenelon Area Independent Living Association, 2007 (25 units)
 - Community Care Village Housing (51 units)
 - Kawartha Lakes & Haliburton Mental Health Services Inc. (18 units)



Focus: Housing System



Affordable Definition

- Housing, both ownership and rental, are said to be affordable if the accommodation costs or rent does not exceed 30% of gross annual household income for low or moderate income households
- Low or moderate income households have incomes falling at or below the 60th income percentile



Who They Are

	Emergency & Temporary Housing	Affordable Permanent Housing		
		Low Income (Household with income at or below the 30 th percentile)	Middle Income (Households with income between the 30 th and 60 th percentile)	Supportive
Who they are	Households or individuals without permanent housing options	Renter Income (at or below) City - \$22,800 County - \$21,000	Renter Income (between) City - \$22,800 & \$42,100 County - \$21,000 & \$36,600	Households or individuals with need for permanent supportive housing
		Affordable Rent (at or below) City: \$570 County: \$520	Affordable Rent (between) City - \$570 & \$1,050 County - \$520 & \$920	
		Owner Income (at or below) City - \$46,500 County - \$39,400	Owner Income (between) City - \$46,500 & \$84,600 County - \$39,400 & \$73,200	
		Affordable Housing Price (at or below) City - \$164,900 County - \$139,800	Affordable Housing Price (between) City - \$164,900 & 299,900 County - \$139,800 & \$259,500	



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National Housing Strategy

Focus, Investments



National Housing Strategy (NHS)



- Followed the 2016 budget commitment to increase federal investments in housing programs
- Canada's first ever NHS
- NHS over a 10 year period will reach approximately 20.5 billion
- Provinces required to cost match roughly half of the total investment

NHS Focus

- Every Canadian deserves a safe and affordable home
- Targets:
 - 50% reduction in chronic homelessness
 - As many as 530,000 households taken out of housing need
 - 100,000 new housing units created
 - 300,000 existing housing units repaired or renewed units
 - 385,000 community housing units protected and another 50,000 units created through the expansion of community housing
 - 300,000 households provided with affordability support through the Canada Housing Benefit



Investments - Homelessness

- Redesigned and expanded federal homelessness program
- Aimed to reduce chronic homelessness (6 months or more) by 50%
- \$2.2 billion
- Homelessness Partnering Strategy (HPS) redesigned and renamed Reaching Home
- Opportunity for more designated communities across Canada
 - CKL has applied



Investments - National Housing Co-Investment Fund

- Federally administered
- As of April 1, 2018
- \$15.9 billion
 - \$4.7 billion financial contributions
 - \$11.2 billion low interest loans
- Outcomes
 - 60,000 new units
 - 240,000 repaired units
 - At least 7,000 shelter spaces created or repaired for survivors of domestic violence
 - At least 12,000 new affordable units for seniors
 - At least 2,400 new affordable units for people with developmental disabilities



Investments – Canada Community Housing Initiative

- Cost match by province required
- Provincially administered, by Service Managers in Ontario
- As of April 1, 2019
- \$4.3 billion
- Outcomes
 - 385,000 community housing units protected
 - 50,000 new units created through an expansion

Investments – A New Canada Housing Benefit

- Co-developed with federal gov't
- Cost matched and delivered by provinces
- Coordinated with Service Managers
- \$4 billion
- As of April 1, 2020
- Outcomes
 - Grows to at least 300,000 households
 - Average of \$2,500 per year to each recipient household

Continued Investment in Housing Programs

- Another \$8.4 billion delivered through existing agreements (successor to programs like Investment in Affordable Housing)
- Cost match by province required
- As of April 1, 2019



Other CMHC Solutions



- Seed Funding
 - Interest free loans and non repayable contributions to develop and preserve affordable housing
- Federal Lands Initiative
 - Non repayable contributions to support the transfer of surplus federal properties at discounted to no cost for the development of affordable housing
- Rental Construction Financing Initiative
 - Low cost loans to encourage construction of rental housing where the need for supply of rental housing is clearly demonstrated
- Mortgage Loan Insurance
 - Products to support the construction, purchase and refinancing of multi-unit residential rental properties



What is community housing, Focus & Key Priorities, New Programs, Legislative Changes

Ontario's Community Housing Renewal Strategy (CHRS)

- Multi-year plan to stabilize and grow Ontario's community housing sector
- Focused on affordable housing for the low-income
- Focused primarily on the housing transferred to the municipality in 2001
- Consistent with CHRS, the nine year NHS investments with province cost matching required will be delivered in three, three year funding periods
 - Phase 1 (2019-20 through to 2021-22)
 - Phase 2 (2022-23 through to 2024-25)
 - Phase 3 (2025-26 through to 2027-28)



Community Housing Definition



- Owned and operated by local housing corporations, non profits and co-ops; sometimes referred to as social and affordable housing (subsidized or low end of market)
 - Social housing was developed through federal or provincial gov't programs from 1950 through 1995 and transferred to the municipality in 2001
 - Affordable housing programs started in 2002 and have rents maintained at or below 80% of the average rent for the area for at least 20 years



CHRS Focus & Key Priorities

- Transform a fragmented and inefficient system into one that is more streamlined, sustainable and better able to meet people's needs
 - Protect and expand supply: increase supply and appropriate mix of affordable housing and adequate housing
 - Provide opportunity to people: improved access to affordable housing and support that meets individual needs to achieve housing stability
 - Streamline and simplify the system: ensure value for money with an efficient community housing system with long-term sustainability

NEW - Canada Ontario Community Housing Initiative (COCHI)

- To protect affordability for households in transferred housing, support the repair and renewal of that supply and expand the supply over time
- Re-investment of federal funding that has been declining, providing an opportunity for SMs and HPs to address the challenges associated with projects reaching mortgage maturity
- Cannot replace or displace any level of municipal spending in place on or before March 31st, 2018

COCHI Transferred Housing

- Transferred social housing that had provincial funding had operating agreements voided
- Rules transferred to the Housing Services Act with SM funding and oversight
- Rules include subsidy calculation, how tenants are selected, how rent is calculated, etc
- No longer tied to any operating agreement
- No specific end date for housing providers obligations to continue to provide housing
- SM still has obligation to fund

Goals of CHRS COCHI

- Recognition that SM is primary funder
- Recognition of the variation, demand and local solutions that the SM is working toward
- Designed to provide a flexible approach for the SM to address these issues and local solutions
- Designed to modernize the community housing system toward greater Housing Provider sustainability and self sufficiency

COCHI Components



- Operating:
 - Rent supplements prioritized for households residing in transferred housing units would otherwise face affordability challenges when/if the housing provider may be affected by mortgage maturity
 - Transitional operating funding used as short term operating subsidy to help housing providers look at business streamlining/operations analysis or enabling acquisitions and mergers to improve efficiencies and economies of scale
- Capital
 - Support community housing providers with replacement or repair of core building systems and sub-systems or health and safety repairs

NEW - Ontario Priorities Housing Initiative (OPHI)

- Modelled after similar, previous affordable housing programs with the most recent being IAHE
- To address local housing priorities, including affordability, repair and new construction
- New features
 - Addition of a support service component
 - Eligibility of social housing under Ontario Renovates

OPHI Components



- Rental Housing
 - Targets new development by KLH and NPs
 - Up to 75% of the pro-rated share of the capital costs for the affordable units
 - Rents at 80% of average, tenants from City's waiting list
- Homeownership
 - Targets low to moderate income renter able to purchase affordable home

OPHI Components Cont'd

- Ontario Renovates
 - Home repair
 - Assist low to moderate income homeowner with repair, energy efficiency improvement, increased accessibility
 - Assists low to moderate income homeowner to create a new affordable rental unit in an existing single family home
 - Assists landlords or community housing providers to rehabilitate units

OPHI Components Cont'd

- Rental Assistance
 - Address affordability issues of low to moderate income households in rental units by providing rent supplements or housing allowance in market units
- Housing Support Services
 - To ensure housing retention, greater self reliance and social inclusion for tenants in existing community housing units or units created under OPHI

NEW - Canada-Ontario Housing Benefit

- Province negotiating with CMHC to finalize program design
- Allows housing benefits to begin flowing to Ontario households beginning April 2020



Legislative Changes - Housing Services Act (comment period ends July 1st)

- Creating safer communities
 - Currently HP is only permitted to refuse to offer a unit who has reached the top of the list in certain limited circumstances
 - These circumstances do not allow a refusal due to previous criminal activity
 - Proposal would amend s.50, Reg. 367/11 by adding the authority to refuse to re-house a household based on a previous eviction for a serious criminal offence

Housing Services Act Changes Cont'd

- Improving waiting lists and helping those most in need
 - Households will need to prioritize housing choices as they will receive only one offer (previously 3)
 - SM will be required to set an appropriate local asset limit so that all households will have to pass an asset test to be eligible for RGI assistance
 - More flexibility to efficiently manage transfers to get tenants into the right housing by allowing the SM to allow transfers between HP (versus re-application to the CWL)

Housing Services Act Changes Cont'd

- Simplifying rent-geared-to-income rules
 - Current model is complex, rules require tenants to report every time there is a change creating disincentives for households to work
 - Proposing an annual model based on income tax information beginning July 1, 2021
 - One in year rent re-calculation may be requested if income decreases by 20% or more
 - 30% of Adjusted Family Net Income
 - All tenants in full time studies would have income exempted
 - For tenants who work, exemption of \$1,800/year



Creating incentives for community housing providers

- Risk of losing valued housing partners when they are no longer legally obligated to do so
- Legislative changes and COCHI is hoped to encourage some to continue to provide valuable housing supply
- Work to explore further legislative changes
- Pause the practice of removing from legislation for three years
- Work to improve capacity to operate business like and grow assets where possible



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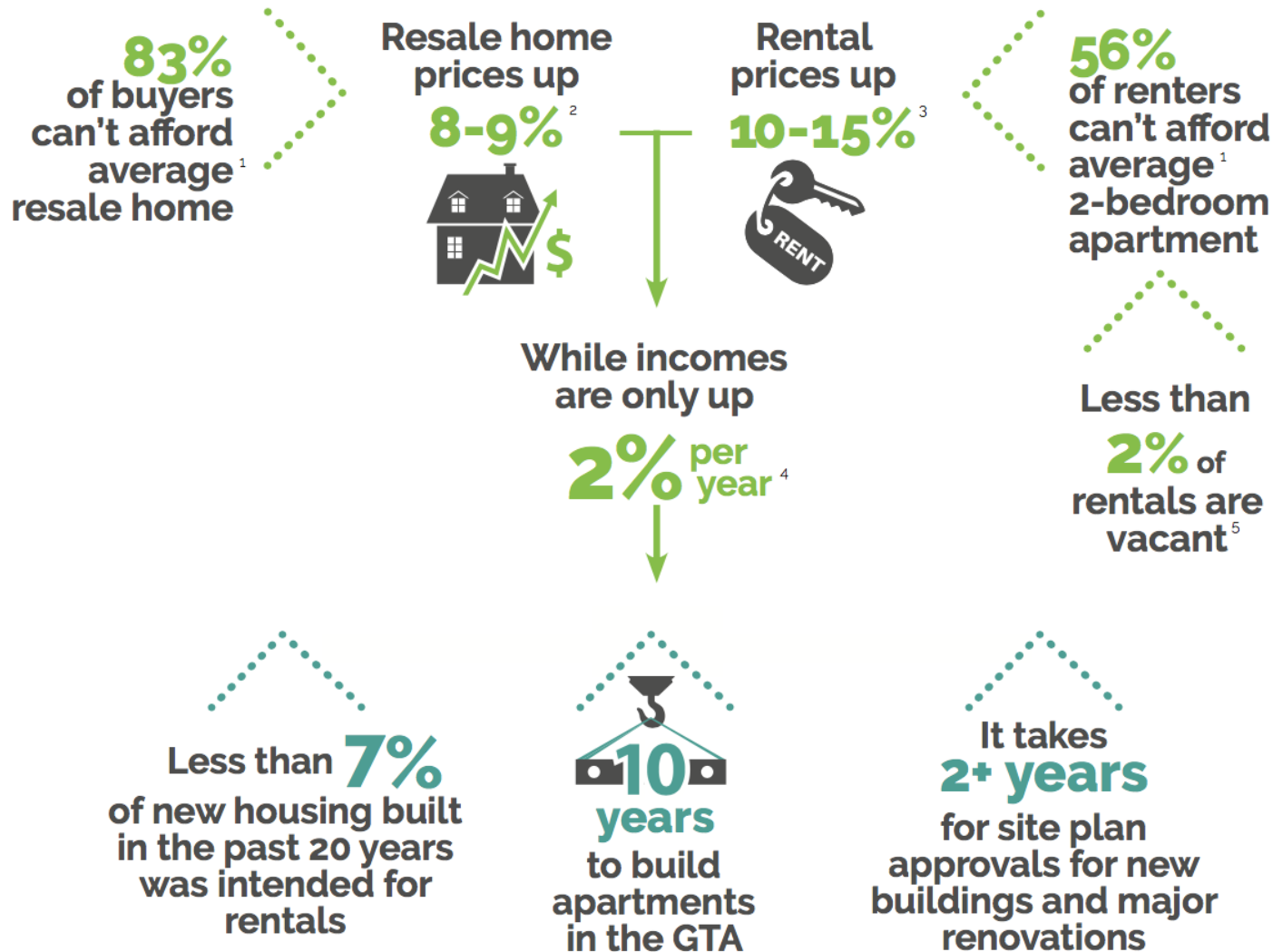
More Homes, More Choice: Ontario Housing Action Plan (Bill 108)

Ontario's Five Point Plan, Legislative Changes

Focus

- Every Ontario community is unique, but no matter where you go people are looking for housing that meets their needs and their budget
- Cost of buying is becoming out of reach for many, rentals too hard to find
- Plan to tackle Ontario's housing crisis
- Encourages partners to do their part by starting now to build more housing

Home prices and rents in many large and mid-sized cities, have **risen faster** than incomes.



Lengthy approvals and high costs have **slowed down** the building of new housing and rentals.

Ontario's Five Point Plan



Bill 108, More Homes, More Choice Act

- Act to amend 13 various statutes with respect to housing, other development and various other matters
 - Cannabis Control Act
 - Conservations Authorities Act
 - **Development Charges Act**
 - Education Act
 - Endangered species Act
 - Environmental Assessment Act
 - Environmental Protection Act
 - Labour Relations Act
 - **Local Planning Appeal Tribunal Act**
 - Occupational Health & Safety Act
 - Ontario Heritage Act
 - **Planning Act**
 - Workplace Safety and Insurance Act

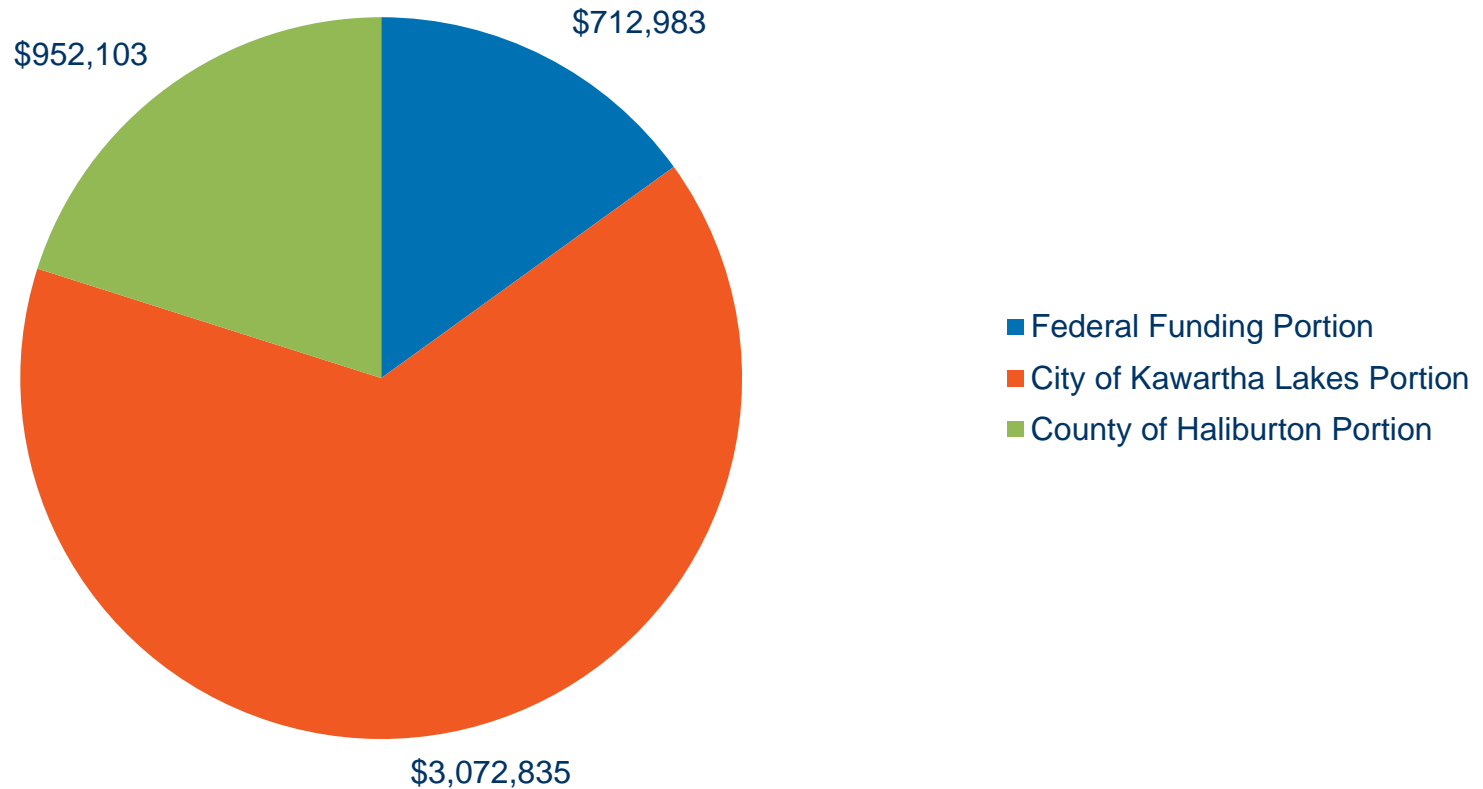


Local Perspective

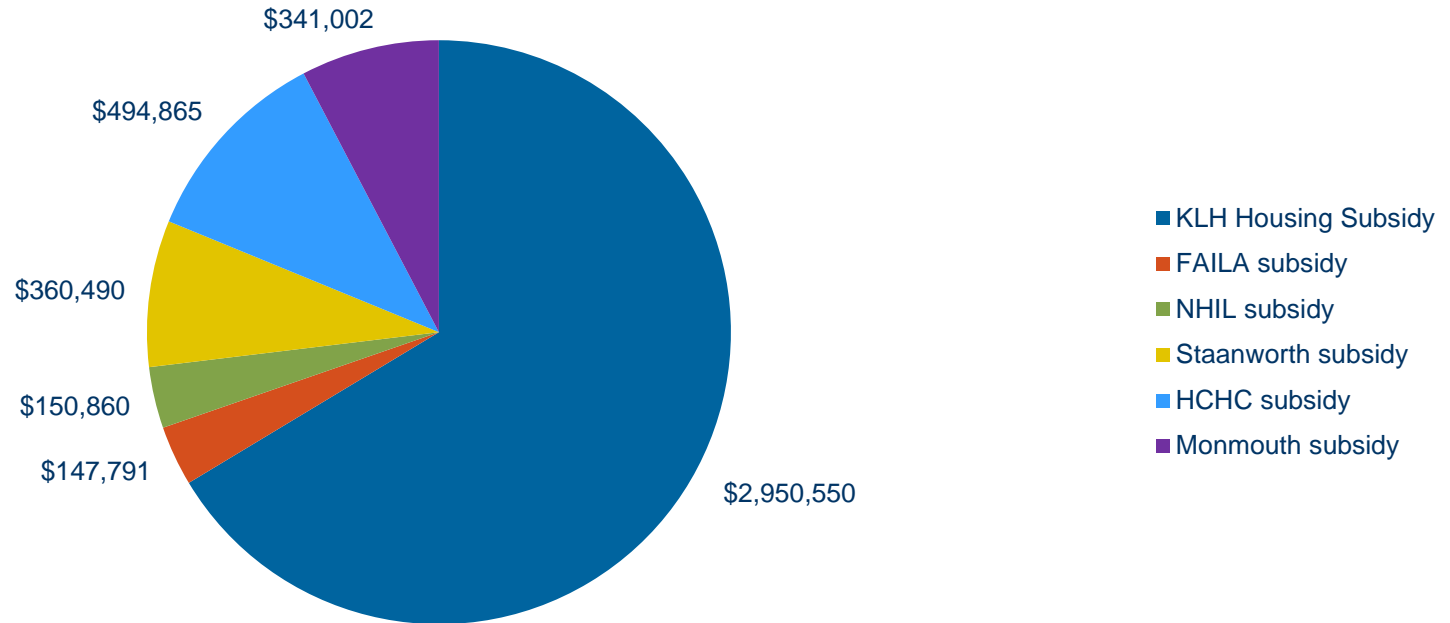
Investments (2019), 2019-2022 Funding Allocations, Community Housing Focus, Private Sector Housing Focus

Gov't Investments – Transferred Housing

2019 Cost Share of Transferred Housing Program (\$4,737,921)



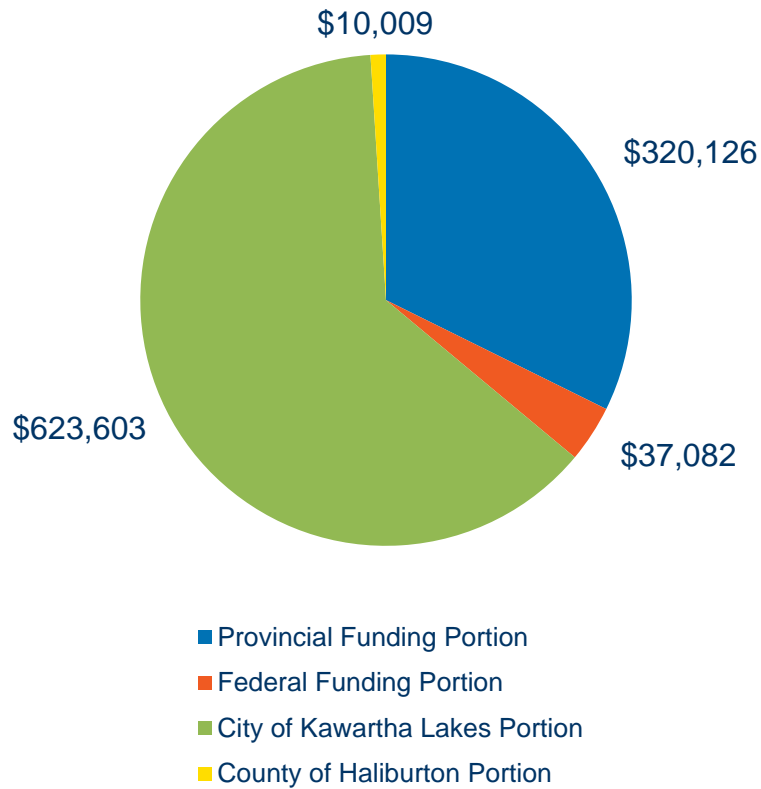
2019 Transferred Subsidy Costs by Housing Provider (\$4,445,558)



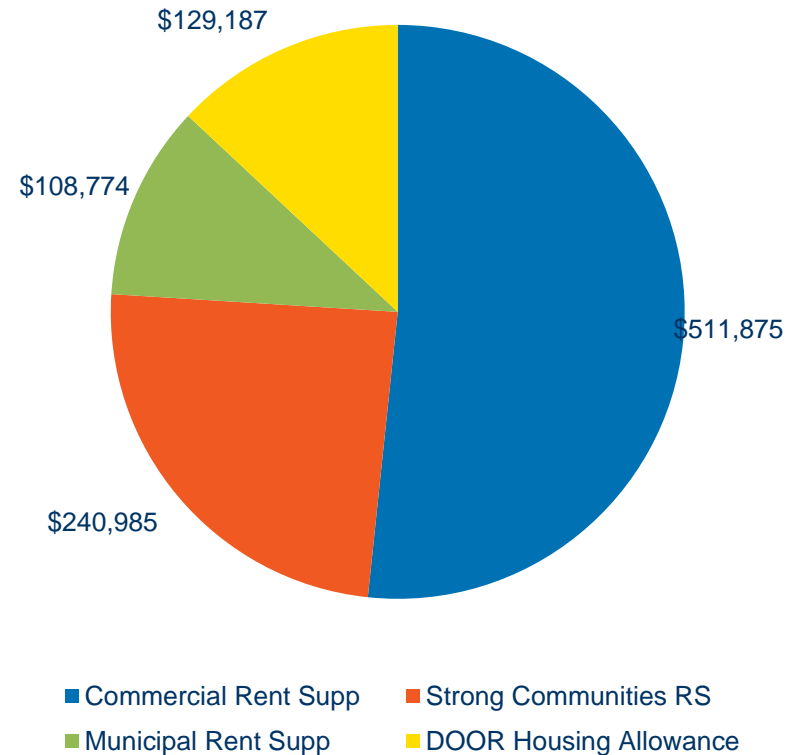
	Total Subsidy	Per Unit	#Units
KLH Housing Subsidy	\$ 2,950,550	\$ 3,908	755
FAILA subsidy	\$ 147,791	\$ 5,912	25
NHIL subsidy	\$ 150,860	\$ 18,858	8
Staanzworth subsidy	\$ 360,490	\$ 4,871	74
HCHC subsidy	\$ 494,865	\$ 5,499	90
Monmouth subsidy	\$ 341,002	\$ 10,029	34
Program Administration Costs	\$ 292,363		

2019 Rent Supplement Programs

**2019 Cost Share of Rent Supplement
& Housing Allowance Programs
(\$990,820)**

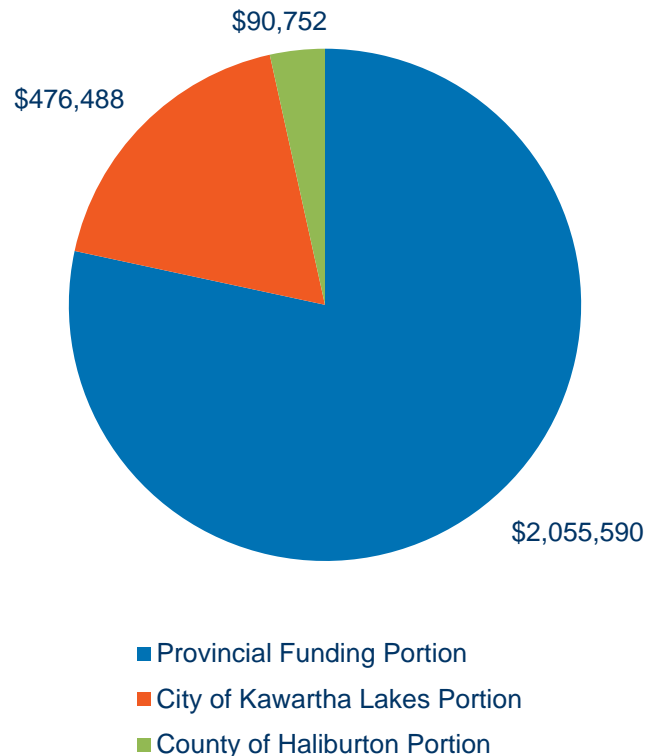


**2019 Rent Supplement &
Housing Allowance Costs**

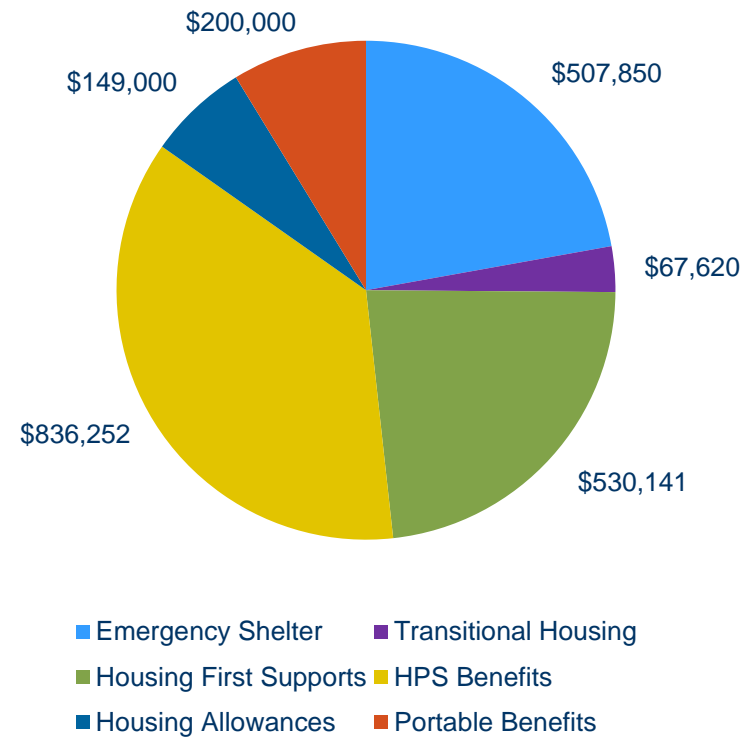


2019 Homelessness Programs

2019 Cost Share of Homelessness Programs & Services (\$2,622,830)



2019 Homelessness Costs by Program or Service Category



2019-2022 Funding Allocations

Program	New/Existing	2019-20 Confirmed Allocation	2020-21 Planning Allocation	2021-22 Planning Allocation
Investment in Affordable Housing for Ontario 2014 Extension (IAHE)	Existing	\$502,800	n/a	n/a
Community Homelessness Prevention Initiative (CHPI)	Existing	\$1,468,598	\$1,521,153	\$1,521,153
Home for Good	Existing	\$353,100	\$353,100	\$353,100
Canada-Ontario Community Housing Initiative (COCHI)	New	\$33,585	\$63,556	\$116,362
Ontario Priorities Housing Initiative (OPHI)	New	\$812,700	\$421,000	\$655,500

Focus for Community Housing

- Continued support and funding to KLH Housing regeneration plans and new developments
- Specific rental targets to support and encourage transferred providers to regenerate and grow
- Incorporating a range of housing types and mixed incomes
- Implementation of the housing asset management plan strategies in order to ensure existing assets remain in good condition
- Renewed focus on community housing transferred providers toward a sustained model focus through business streamlining/operations analysis
- Enable acquisitions and mergers of housing providers/assets to improve operating efficiencies and economies of scale



Focus for Private Sector Housing

- Housing Supply Action Plan
- Use of housing targets to meet official plan affordable housing percentages in both ownership and rental
- Provision of rent supplement or housing benefits to increase affordability in exiting and/or new private market rental
- Continued focus on renovation programs using OPHI
 - Homeowner renovations to sustain home and increase energy efficiency or accessibility
 - Secondary suite funding
 - Multi unit rehabilitation funding offered as part of the CIP
- Affordable housing framework actions implemented through multiple department participation
- Renewed Housing & Homelessness objectives implemented through multiple department participation
- Continued and expanded partnership with Habitat re ownership for low to moderate income households

Planning Policy & By-law Update

Secondary Suites, Planning Policy

Secondary Suites

- Registration By-law 2014-305 enacted November 4, 2014
- Since that date we have registered 19 units and there are a further 17 in the pending queue
- Servicing issue discussed during the implementation of the program in 2013/2014
- Barriers to process brought forward by the public include:
 - Ontario Building Code requirements being too stringent;
 - units are currently only permitted through zoning in fully serviced areas of the City;
 - units currently only permitted through zoning within the main dwelling structure

Planning Policy / By-Law Updates

- CKL Official Plan (2012)
 - Community Secondary Plans OPAs 14-18
 - General Amendment OPA 13
- Goals, Objectives, Policies, Tools
 - Variety, Targets, Density
 - Reduced municipal fees and charges
 - Housing Strategy, Garden Suites, CIP
 - By-law 2014-283 Secondary Suites
 - Rural Areas ZBL Comprehensive Review

Decisions, Next Steps, Conclusion

Adopting Targets and the Housing & Homelessness Plan

Adoption of Housing Targets



- Requirement for 2020-30 Housing & Homelessness Plan
- Relies on all three levels of gov't funding
- Relies on a variety of partners
- New build and subsidy in existing
 - Community housing
 - Private market
- Overview of models, categories and types to Council in March 2019
- Decision report to Council in September 2019 for adoption

2020-30 Housing & Homelessness Plan

- Current plan adopted in Feb 14 (2014-2023)
- Requirement to review/update every five years (by December 2019)
- Addresses 8 provincial policy areas
- Objectives, outcomes, measures and targets over the next 10 years
- Renewed plan (2020-2030) to council in October 2019 for adoption



Other Next Steps

- Commitment of existing 2019-20 IAHE funding - by December 2019
- Execution of the Transfer Payment Agreement and development of investments plans (based on the HHP) for new programs (COCHI & OPHI) – by September 2019
- Commitment of 2019-20 COCHI & OPHI funding – by December 2019
- Homelessness System Review completed and 2019-20 existing homelessness funding (CHPI & HFG) committed – by July 2019

Questions?