



BOARD REPORT

REPORT No.: 2023-31

MEETING DATE: SEPTEMBER 21, 2023

SUBJECT: CANADA-ONTARIO COMMUNITY HOUSING INITIATIVE, ONTARIO PRIORITIES HOUSING INITIATIVE AND CANADA-ONTARIO HOUSING BENEFIT AMENDMENT 2023-24

RECOMMENDATION

THAT with respect to Report No. 2023-31 (Integrated Social Services Division) we, The District of Thunder Bay Social Services Administration Board, authorize the Chair and the Chief Administrative Officer, to execute the Transfer Payment Agreement for the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative and the Sign-Back Letter for the Canada-Ontario Housing Benefit and submit both to the Ministry of Municipal Affairs and Housing;

AND THAT the Board approve the 2023-24 Investment Plan for the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative programs and authorize the Chief Administrative Officer to execute the plan and submit to the Ministry of Municipal Affairs and Housing;

AND THAT the Board authorizes the Chief Administrative Officer to execute any required agreements for the delivery of the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative programs;

AND THAT any necessary By-law be presented to the Board, for consideration.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with information related to the continuation of the Canada-Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI) and to approve the proposed Investment Plan for the 2023-24 funding year.

BACKGROUND

On April 17, 2019, The Honourable Steve Clark, Minister of Municipal Affairs and Housing, addressed a letter to the TBDSSAB Board Chair announcing the government's Community Housing Renewal Strategy – a multi-year plan to sustain and grow the community housing system. As part of this strategy, two new programs were launched in 2019-20 leveraging federal investments under the bilateral agreement between the Ministry of Municipal Affairs and Housing (MMAH) and the Canada Mortgage and Housing Corporation. Guidelines for these new programs were also introduced.

The COCHI represents a re-investment of federal funding allowing Service Managers to address the challenges associated with housing projects reaching the end of mortgages and/or operating agreements. The objective of COCHI is to protect tenants in projects with expiring operating agreements/mortgages and begin to stabilize and eventually grow the supply of community housing through regeneration and expansion, repairs, renovations, and operating support. Housing projects and providers are eligible for COCHI funding as long as they are community housing providers listed in the *Housing Services Act, 2011* as of April 1, 2019.

In addition, the COCHI guidelines require the preservation of Urban Native Housing (UNH) units to ensure there is no net loss of units with adequate rental affordability. COCHI funding must be used in addition to existing municipal subsidy for community housing expenditures – COCHI funding cannot be used to offset municipal social housing expenditures.

The OPHI is modeled after the recent Investment in Affordable Housing Extension (IAH-E) and allows Service Managers to address local housing priorities. Initiatives including rent supplements, housing allowances and housing development and repair remain under the OPHI program. Under the OPHI Program Guidelines, Service Managers have the flexibility to select the components they will deliver each year under their approved funding allocations. Additional features include the ability to offer a support services component and utilize OPHI funding for community housing repairs under the Ontario Renovates program.

The Canada-Ontario Housing Benefit Program, a Federal-Provincial program that is not a part of the Transfer Payment Agreement (TPA), offers options to people who are looking for housing that will meet their needs and their budgets. The program offers a portable housing benefit where funding is provided directly to low-income households that are on, or eligible to be on, a community housing waitlist. Individuals currently receiving social assistance benefits may be eligible, however they will have a separate benefit calculation to avoid reducing their current social assistance entitlements. The Canada-Ontario Housing Benefit is provincially delivered through the MMAH and the Ministry of Finance. The Ministry of Finance determines eligibility, calculates the benefit, provides payments directly to households and manages the annual renewal process. Service Managers assist by identifying and selecting households to apply for the program and assisting households with the application process.

TBDSSAB entered into an initial TPA with the province to participate in the COCHI and OPHI programs in 2019. The TPA included an Investment Plan which outlined how the annual COCHI and OPHI funding would be used over the first 3-year funding period (2019-20 to 2021-22). Since that time, new annual investment plans are required, and a new TPA has been developed for this next phase of funding allocations.

COMMENTS

With COCHI funding allocations over the past several years, TBDSSAB has focused investment in the areas of repair of existing community housing properties and in the provision of rent supports and transitional operating funding to maintain Urban Native Housing units where the mortgages and operating agreements have expired.

With previous OPHI funding allocations, TBDSSAB has focused on capital investment in new rental housing, and continued investment in the Ontario Renovates program. This included the creation of 6 new fully accessible apartments in vacant commercial space located at the TBDSSAB-owned Mclvor Court in Thunder Bay, and 95 low-income home owners were supported through Ontario Renovates between 2019 and 2022.

On May 13, 2022, TBDSSAB released an Expression of Interest (EOI) for the development of new affordable housing within the District of Thunder Bay. The intent of the EOI was to understand ideas, concepts, or specific responses for the creation of new affordable housing for low- and moderate-income households in communities throughout the District. Responses to this EOI would be considered for funding opportunities through various loan and grant programs, including COCHI and OPHI and TBDSSAB's Community Housing Reserve Fund, over the next several years. A total of 7 submissions were received.

Administration reviewed all of the submissions and rated these to determine the readiness of each project, total cost and cost per unit, potential proponent contribution, financial proforma completeness and the overall ability of the proposed project to address affordable housing needs throughout the District. Three of the submissions were considered to be shovel ready. Following this review, Administration provided a response to each proponent stating that as opportunities for investment funding became available, further engagement on the projects would ensue. One of these projects was submitted to the province for consideration for funding under the COCHI Community Housing Priority Projects stream and was approved for the full requested funding. Information on this project was presented to the Board at the March 16, 2023 meeting as Report No.: 2023CS-03. Details on this new 14-unit affordable housing project were announced publicly on June 26, 2023, at a media event attended by MP Marcus Powlowski and MPP Kevin Holland, as well as the TBDSSAB Board Chair.

At the May 18, 2023 meeting, the Board received a report on the second of the shovel ready housing options and subsequently approved the use of Homelessness Prevention Program funds to support this development (Report No.: 2023CS-05). Other projects

from the EOI are still under consideration for investment with current and future years' funding opportunities.

Administration has reviewed the 2023/24 funding letter (Attachment #1) and new guidelines and has prepared a Proposed Investment Plan for the COCHI and OPHI programs, presented as Attachment #2. As the COCHI and OPHI funding allocations for 2023-24 are reduced from the previous year, revisions to current plans and services are required. Further, given that the confirmed allocations were received well into the funding year, implementation of the tentative plans has occurred in order to be able to deliver ongoing projects and supports.

The Investment Plan proposes to utilize COCHI funds to maintain Urban Native Housing units with operating agreements that have expired and would otherwise be removed from the housing system. Further, it is proposed that the remaining COCHI funding be utilized for capital repairs to social housing projects across the TBDSSAB portfolio, as well as capital repair work at 5 non-profit housing providers. Eligible capital repairs may include replacing and/or repairing core building systems, and sub-systems (e.g., heating and/or cooling, leaking roof systems, water issues, structural repairs, etc.) and health and safety repairs (e.g., accessibility renovations). These repair projects are currently underway, as tendering and commitments of contractors were required early in the construction season to ensure the opportunities would be able to proceed this year.

For the OPHI program, Administration is recommending using the full allocation for the repair and upgrading of existing community housing units. This would support both TBDSSAB-owned and non-profit community housing units, to ensure long term sustainability of current housing, to maximize the availability of community housing throughout the District. Eligible capital repairs are the same as under the COCHI program noted above.

The Canada-Ontario Housing Benefit funding for 2023-24 is reduced from 2022-23, however the current funding only represents new households accessing the program, with previously enrolled households continuing to receive this benefit. As this benefit is a direct support to individuals, there is no service agreement required. Updates to this program this year provide for a revised calculation of benefits which includes a full inclusion of rental costs, including utilities. This should allow for greater affordability for households accessing the program.

Administration will use the 2024-25 Fiscal Year Planned Allocation Amounts to prepare a strategy for the continued best use of the COCHI and OPHI funding, that addresses the needs and pressures of the District.

STRATEGIC PLAN IMPACT

This program supports the strategic plan vision of establishing flexible, inclusive services through the provision of relevant diverse housing supports.

FINANCIAL IMPLICATIONS

As outlined in the August 17, 2023 letter from MMAH, funding from the Ministry is confirmed for the 2023-24 fiscal year, with planning allocation amounts for 2024-25. The 2023-24 allocations are as follows:

Canada-Ontario Community Housing Initiative	\$ 3,134,000
Ontario Priorities Housing Initiative	\$ 822,500
Canada-Ontario Housing Benefit	\$ 385,100

The allocations provided are 100% Federal and Provincial funding. This funding will be released upon MMAH approval of the COCHI-OPHI Investment Plan, for the April 1, 2023 – March 31, 2024, funding year.

As part of the Investment Plan, Service Managers may use up to 5% of each of the annual COCHI and OPHI funding allocations to assist with administration costs for the delivery of the initiatives. Administration costs for COHB applications are established at a flat rate.



CONCLUSION

It is concluded that this Report provides the Board with information with respect to the COCHI, OPHI and COHB initiatives, the funding available to TBDSSAB for the 2023-24 year and the proposed uses of funds as identified through the 2023-24 Investment Plan. It is recommended that the Board authorize the Chair and the Chief Administrative Officer to execute the TPA for the 2023-24 COCHI and OPHI funding, execute the COHB Program Sign-Back Letter, and submit these Agreements and the approved Investment Plan to the MMAH.

REFERENCE MATERIALS

Attachment #1 [Letter from the Honourable Steve Clark, MMAH, dated August 17, 2023](#)

#2 [COCHI-OPHI Investment Plan 2023-24](#)

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