

## Supplementary Budget – Briefing Note

## 2019 Budget

One page brief per request

**Briefing Note required for:**

- items >\$50,000
- changes in FTE
- Corporate Strategic Initiatives

Dept	Division	Business Unit	Item	Base Supp	Amount	FTE Impact
CHS	Housing Services	Affordable Housing - IAHE	Housing Claims Analyst – temp Gr 6.6 wages - Investment in Affordable Housing Ext. Yr 6 of 6	S	\$57,840	1.0
CHS	Housing Services	Affordable Housing - IAHE	Housing Claims Analyst – temp Gr. 6.6 Labour burden	S	\$18,162	0.0
CHS	Housing Services	Affordable Housing - IAHE	Transfer From Investment in Affordable Housing Reserve Fund #17333 – Admin Funding	S	(\$76,002)	0.0
			Total		\$0	1.0

**Background:**

At the Sep. 8, 2014 regular council meeting, council approved entering into the Investment in Affordable Housing Program Extension (2014) for the 6 provincial fiscal years. Council also approved hiring a full-time Grade 6.6 Housing Claims Analyst to assist in delivering the affordable housing programs (Home Ownership and Ontario Renovates). This position also assists in the delivery of the CK Renovates program.

**Comment:**

When council approved IAHE (2014) Administration Agreement, council also approved using the Affordable Housing Reserve Fund to fund the temporary Housing Claims Analyst position. Administration funding for this program was received in Year 1 of the 6 year program.

**Municipality of Chatham-Kent**

**Health and Family Services**

**Housing Services**

**To:** Mayor and Members of Council

**From:** Shelley Wilkins, Director, Housing Services

**Date:** August 28, 2014

**Subject:** Investment in Affordable Housing for Ontario (2014 Extension) Service Manager Administration Agreement and Program Delivery and Fiscal Plan (PDFP)

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**Recommendations**

It is recommended that:

1. The General Manager of Health and Family Services and the Director of Housing Services be authorized to execute the Service Manager Administration Agreement for the Investment in Affordable Housing (IAH) for Ontario (2014 Extension) with Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing (MMAH) to obtain \$635,400 in program funding, including administrative funding for Year 1 and additional funding (to be announced) for Years 2 through 6.
2. The Director of Housing Services be permitted to internally allocate up to 15% of the IAH 2014 Extension program funding to offset administrative costs associated with delivering the various IAH program initiatives. And further that this amount be reduced to as low as 5% of program funding if MMAH provides separate and distinct funding for administration costs.
3. That the Director of Housing Services be authorized to submit a Program Delivery and Fiscal Plan (PDFP) that maximizes the notional funding allocation provided to the Municipality of Chatham-Kent to the Ministry of Municipal Affairs and Housing (MMAH). And further that once submitted and approved by MMAH that the Director provide Council with an Information Report on the PDFP that is being used.
4. That the Director of Housing Services be authorized to extend the current temporary contract position of a full-time temporary Housing Claims Analyst clerical position (at grade 6 of the Full-Time Non Union pay grid) for an additional 5.2 years from the end of the current contract term (i.e., from May 1/15 to June 30/20).

## **Background**

The Municipality of Chatham-Kent has participated in the previous temporary federal initiatives under the Affordable Housing Program in Ontario (AHP). The Director of Housing Services reported on the successful implementation of those program initiatives in her initial Investment in Affordable Housing (IAH) Program Report to Council at the January 30, 2012 regular meeting. (For a complete copy of the January 2012 report visit the following link: [http://www.chatham-kent.ca/Council/CouncilMeetings/2012/Documents/January/Jan%2030%20-%2015\(a\)%20IAH%20Program.pdf](http://www.chatham-kent.ca/Council/CouncilMeetings/2012/Documents/January/Jan%2030%20-%2015(a)%20IAH%20Program.pdf).) Table 1 below is excerpted from that report:

**Table 1: Affordable Housing Program (AHP) – Funding Summary (2006 - 2011)**

<b>Program</b>	<b>Total Units</b>	<b>Supportive Mental Health</b>	<b>Supportive Domestic Violence</b>	<b>Supportive Physically Disabled</b>	<b>Program Funding Received</b>	<b>Admin Funding Received</b>
Capital, Rental and Supportive	41	3	4	16	\$4,030,000	\$75,000
Housing Allowance Rent Supplement	40		4		\$384,000	\$37,440
Home Ownership	75				\$276,000	\$26,685
<b>Sub-totals</b>	<b>156</b>	<b>3</b>	<b>8</b>	<b>16</b>	<b>\$4,690,000</b>	<b>\$139,125</b>
<b>AHP/SHRRP</b>	(Used for admin of Social Housing Renovation & Retrofit Program: hired Eng Tech on contract 09-11)					<b>\$200,000</b>
<b>Totals</b>					<b>\$4,690,000</b>	<b>\$339,125</b>
						<b>Combined \$5,029,125</b>

With \$4.69 million in program funding Housing Services staff were able to add 41 affordable rental units for a 20 year term, support 40 households with rent supplement in private rentals and assist 75 first-time home buyers get into the private home ownership market. The Municipality was allotted a total of \$339,125 in administrative funding which was also used to assist in delivering the Social Housing Rehabilitation and Renovation Program. Altogether, Chatham-Kent received and used just over \$5 million over 5 years.

The Housing Services Division is currently in the fourth and final fiscal year of implementing the second Canada-Ontario affordable housing program (i.e. April 1/14 to March 31/15) in accordance with our approved IAH Program Delivery and Fiscal Plan (PDFP). While we have sought and obtained MMAH approval to make some adjustments between funded program initiatives, we remain on target to expend and receive 100% of the \$3,598,860 funding allocated to Chatham-Kent.

**Table 2: Investment in Affordable Housing Program (IAH) – Funding Summary (2011 – 2015)**

<b>Program</b>	<b>Total Target Units</b>	<b>Supportive Mental Health</b>	<b>Supportive Domestic Violence</b>	<b>Supportive Physically Disabled</b>	<b>Program Funding Allocated</b>	<b>Program Funding Received</b>
Capital, Rental and Supportive	12			2	\$1,200,000	\$1,200,000
Housing Allowance Rent Supplement	40		4		\$251,000 <sup>1</sup>	Program not yet complete
Home Ownership	38				\$264,323 <sup>2</sup>	Program not yet complete
Ontario Renovates	90			10	\$1,608,595 <sup>3</sup>	Program not yet complete
<b>Sub-totals</b>	<b>180</b>	<b>Program Funding</b>			<b>\$3,323,920</b>	
<b>IAH</b>	(Used for admin of IAH Program: hired temporary Housing Claims Analyst on contract 02-15; portion of funding allocated to Building/Development Services for Ontario Renovates Program building inspection)				<b>Admin Funding</b>	<b>Admin Funding</b>
					<b>\$274,943</b>	<b>\$274,943</b>
<b>Totals</b>					<b>Combined</b>	
					<b>\$3,598,863</b>	

With slightly more than \$3.3 million in program funding, Housing Services staff have added 12 affordable rent units in the community for a 20 year term, staff continued to support 40 households with private rent supplement subsidies, and expect to assist about 37 first-time home buyers in the resale market, assisted Habitat For Humanity Canada – Chatham-Kent new affiliate with a \$50,000 forgivable loan for their first new build, and anticipate assisting in the rehabilitation and renovation of about 90 units – with the overwhelming majority being single family homes. The Director expects to provide Council with an IAH wrap-up report at the conclusion of the current program; it ends March 31, 2015. Hence, a report will follow once all funding submissions have been filed and all funds from MMAH have been received.

## **Comments**

Under letter dated August 11, 2014, Mayor Hope received notice from the Minister of Municipal Affairs and Housing (MMAH) of the extension of the Investment in Affordable Housing for Ontario (IAH 2014 Extension) program. The province and federal government have agreed to commit another \$801 million for more affordable housing over six years.

For Year 1 (August 2014 – March 31/15), Chatham-Kent's notional funding allocation is \$635,400. To be eligible for this funding a PDFP –Year 1, along with an executed Administration Agreement, must be submitted to our Municipal Services Office by November 30, 2014. As well, the entire funding must be committed by January 30, 2015 or risk the allocation being re-allocated to another Service Manager.

<sup>1</sup> Original allocation was for \$292,320; amount was reduced by transferring difference of \$41,320 to Ontario Renovates Program with MMAH approval. The bulk of the transfer relates to 2012/13 year of transition from the former AHP Rent Supplement program to the new IAH Program. A small amount (\$3,600) is based on projected rents based on actuals in 2014 (Yr 4: 14/15).

<sup>2</sup> Original allocation was for \$300,000; amount was reduced by transferring \$35,677 to Ontario Renovates Program.

<sup>3</sup> Original allocation was for \$1,531,599; amount was increased by transferring \$41,320 from the Rent Supplement Program and \$35,677 from the Home Ownership Program.

Notional allocations for Years 2 through 6 will be based upon updated census data once released. Hence, we will not receive our allocations for the remaining 5 years of the program until then.

MMAH is planning to hold information sessions and/or conference calls to discuss the new IAH Extension program guidelines and so forth. The Director received the template Agreement and associated document by email on August 25. There is some urgency to getting the appropriate approvals in place due to the timing of the Year 1 of the program and the upcoming municipal election.

The Director is confident that the Housing Services Division could use the Year 1 funding allocation in the time permitted, even if only committed to the Ontario Renovates program. Our current funding, while not already completely spent, is completely committed to eligible applicants. We also have a wait list of 58 applicants requesting funding totaling in excess of \$907,000. The demand for this program is huge.

### **Council Directions**

The recommendations in this report support the following Council Directions:

- JOBS:**  
Everyone in Chatham-Kent who wants to work is able to work in meaningful employment
- PEOPLE:**  
Chatham-Kent is a welcoming community where people choose to live, learn, work, and play
- HEALTH:**  
Chatham-Kent is a healthy, active, safe, accessible community within a healthy natural and built environment
- FINANCIAL SUSTAINABILITY:**  
The Corporation of the Municipality of Chatham-Kent is financially sustainable
  - Has the potential to support **all** Council Directions
  - Neutral issues (does not support negatively or positively)

### **Consultation**

The Director of Housing Services consulted with the Building Maintenance Supervisor North and the Housing Claims Analyst on the current status of the Ontario Renovates and the Home Ownership IAH program initiatives and the waitlist particulars for these two initiatives.

### **Financial Implications**

There are no immediate financial implications for Chatham-Kent for Year 1 of the IAH 2014 Extension. The temporary full-time contract for the Housing Claims Analyst (HCA) position is funded from the original IAH program administration funding. This contract continues to April 30/15 and the IAH 2014 extension ends March 31/15.

The program funding, excluding any portion set aside for administration costs, is a flow through for the Municipality. The cost to the Municipality is staff time to deliver the programs.

For the 5 year contract extension of the HCA position, administration funding will be used to fund this position – whether it is a percentage of the program funding allocation, separate and distinct administration funding from MMAH, or a combination of both. The Director will provide an Information Report to Council detailing how this contract extension is being funded, once further details of the subsequent 5 year allocation are released by MMAH. This information will also be reported in future supplementary budget requests.

Prepared by:

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Reviewed by:

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Health and Family Services

Attachments: none

c: Brandon Bechard, Building Maintenance Supervisor North, Housing Services  
Lyn Leitans, Housing Claims Analyst, Housing Services