

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	Private Non Profits	Rent Geared to Income (RGI) subsidy adjustments to 2019 approved Private Non Profit (PNP) budgets	B	(\$240,218)	0.0
CHS	Housing Services	Public Housing Rent Supplements	Rent Control Guideline Increase @ 1.8% on private rent supplement subsidy payment to private landlords	B	\$214,214	0.0
			Total		(\$26,004)	0.0

Background:

The provincial reformed private non-profits and co-operatives funded by the Municipality are required to be subsidized in accordance with the provincially mandated funding formulae. One aspect of this funding formulae is the level of RGI Subsidy, which is estimated based upon the prior years actual.

Chatham-Kent is required to maintain 120 rent supplement units. A number of landlords are opting to terminate their rent supplement agreements with the Municipality partly because these rent agreements restrict their ability to increase rents. When an inquiry was made to the Ministry of Municipal Affairs and Housing about switching units from the private rent supplement stream to the portable housing benefit stream, the Director of Housing Services was advised this was not permissible due to the federal funding restrictions.

Comment:

As the economy has improved, the level of RGI subsidy required has decreased year-over-year.

By increasing rents allowed under our rent supplement agreements by the 2019 rent control guideline, we are increasing the possibility of either retaining rental units under existing rent supplement agreements and/or enticing new landlords to enter into rent supplement agreements with the Municipality.