


Hamilton

CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Housing Services Division

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	March 26, 2020
SUBJECT/REPORT NO:	Canada-Ontario Housing Benefit (HSC20013) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Danielle Blake (905) 546-2424 Ext. 6077 Brian Kreps (905) 546-2424 Ext.1782
SUBMITTED BY:	Edward John Director, Housing Services Division Healthy and Safe Communities Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That the General Manager of the Healthy and Safe Communities Department or his designate be authorized and directed to deliver and administer the Canada-Ontario Housing Benefit (COHB) and to execute all ancillary agreements and documents as may be required, with content satisfactory to the General Manager and in a form satisfactory to the City Solicitor;
- (b) That the General Manager of the Healthy and Safe Communities Department be authorized and directed to approve and revise any municipal program guidelines, approve any exceptions to the municipal program guidelines as special or unanticipated circumstances arise, as necessary to deliver and administer the Canada-Ontario Housing Benefit; and,
- (c) That the Outstanding Business List items identified as Opportunities and Flexibility of Existing Housing Programs and Hamilton Housing Benefits be considered complete and removed from the Outstanding Business List.

EXECUTIVE SUMMARY

The Canada-Ontario Housing Benefit will be available starting April 1, 2020. This will be portable housing benefit that will be paid directly to the household and applied towards the cost of a private market rental unit or an unsubsidized Community Housing unit. The COHB is calculated using 80 per cent of Average Market Rent (AMR) for the Service Manager (SM) area and 30 per cent of the Adjusted Family Net Income (AFNI) for the household and is renewed annually. Social assistance recipients will have a separate

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maximum benefit calculation to avoid a reduction in social assistance entitlements after receiving the COHB. This calculation offers deeper affordability support than other housing allowance programs administered by the City but is not as deep as Rent-Geared-to-Income (RGI) assistance.

The COHB will be delivered by the Province of Ontario. As Service Manager, the City of Hamilton's role will be to identify and select eligible households and assist with completion of the application and submit it to the Ministry of Finance (MOF). Each Service Manager has been allocated a portion of the total funding. Hamilton's allocation for the 2020-21 benefit year (Year 1) is \$1,151,337. Based on the province's average annual benefit estimation of \$3,400/year/household, this should support between 320-350 households in Hamilton. The allocation for Year 2 (2021-22) is \$1,508,594.

In order to prevent unused funding being reallocated by the Province, Housing Services is implementing a campaign to allocate all available portable housing benefits as early in the fiscal year as possible. The campaign, entitled the 350 Keys Challenge, will be an integrated strategy to ensure all portable housing benefits are assigned to eligible households within 60 days of the program's start on April 1, 2020. This strategy will work with Violence Against Women and homeless-serving agencies to target eligible households who meet both Provincial and local priorities. These will include Special Priority Person households (victims of abuse), households experiencing homelessness and households whose rent supplements are ending in 2020.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The benefit itself is administered by the Province of Ontario so the City will not receive any program funding. The City will receive administrative funding of \$250 per approved household, up to a maximum of 5% of the annual allocation. This will total approximately \$53,000 for Hamilton from April 1, 2020 to March 31, 2021. The funding is intended to cover costs associated with assisting applicants through the process. The City will be reimbursed for any funds paid to successful applicants for first and last month's rent.

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

On November 22, 2017, the Federal Government released Canada's first National Housing Strategy. The Strategy's vision is to ensure Canadians have access to housing that meets their needs and is affordable. One of the programs announced under the Strategy was a portable housing benefit.

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In December 2019, the federal Minister of Families, Children and Social Development and the Ontario Minister of Municipal Affairs and Housing jointly announced the creation of the Canada Ontario Housing Benefit (COHB) starting April 1, 2020. Financial allocations were also provided to Service Managers.

On February 12, 2020, the Ministry of Municipal Affairs and Housing released the program guidelines.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The *Housing Services Act, 2011* requires Service Managers to operate a Centralized Waiting List (CWL) for Rent-Geared-to-Income (RGI) assistance. In Hamilton this is the Access to Housing, (ATH) list. The COHB program guidelines state that in order to receive the benefit, households must be on or eligible to be on the CWL.

The program guidelines lay out priority groups the Province has identified to be served through the program. Service Managers (SM) may identify who among the priority groups they wish to serve. Hamilton will focus on two of the provincial priority groups – Special Priority Persons (victims of abuse) and households experiencing homelessness. These groups are consistent with Hamilton’s approved ATH housing priorities for offers of RGI assistance.

The *Act* also establishes the eligibility criteria for households to receive RGI assistance, rules for the order in which people may be offered RGI assistance and what is considered an offer of housing. While the COHB offers deep affordability, it is not as deep as RGI. Therefore, it will not be counted as an offer of housing under the provincial rules. Given the long waits for RGI housing, COHB will be offered to eligible priority households as a quicker alternative.

RELEVANT CONSULTATION

Finance and Administration staff will provide support and guidance in establishing and maintaining appropriate financial processes for receiving and accounting for the COHB administrative funding component.

Legal Services staff reviewed the Transfer Payment Agreement and noted areas of potential risk to the municipality.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The Canada Ontario Housing Benefit (COHB) is a new tool to address the need for affordable housing in Hamilton. Hamilton’s stock of Rent-Geared-to-Income housing available through the ATH waitlist is stagnant and few households are moving out. Year over year, fewer people are being housed through the ATH waitlist. In 2015, 818 households were housed from ATH. By 2019, that number was down to 469.

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Because the COHB is not tied to an RGI unit, it can help applicants access affordable housing quicker. It can be applied to a private market rental unit where someone is currently living or be applied to a new unit. It is also portable and moves with the person whether that is to another unit or another city in Ontario. These attributes were part of the reason the Special Priority Person-Portable Housing Benefit (SPP-PHB) was created in 2017. The COHB replaces the SPP-PHB but retains its flexibility.

Outstanding Business List items described as Opportunities and Flexibility of Existing Housing Programs and Hamilton Housing Benefit inquired about opportunities in existing housing programs that can be used to assist the households waiting on the centralized social housing wait-list and expanding permanent portable housing benefits. The COHB represents a long term portable housing benefit that will be used to address the needs of households on the ATH waitlist. Housing Services is also exploring opportunities to build on the COHB model to expand options for households in need of affordable housing. The Province allows Service Managers to offer a municipally-funded portable housing benefit directly to households. As social housing providers redevelop properties or seek to achieve a greater income mix, they will occasionally relinquish RGI subsidies. These RGI subsidies could be repurposed into funding for a municipally-funded and delivered portable housing benefit.

Housing Services is expanding options by using Canada Ontario Community Housing Initiative (COCHI) funding for rent supplements federally-funded projects that have reached the end of their operating agreement. Providing rent supplements to these units continues affordability for existing tenants and increases options for ATH waitlist applicants when units become vacant. COCHI is a reinvestment of savings to the federal government as federally-funded housing providers' operating agreements end.

ALTERNATIVES FOR CONSIDERATION

None

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

Hamilton is a safe and supportive city where people are active, healthy, and have a high quality of life.

APPENDICES AND SCHEDULES ATTACHED

None