

**Report to
Rapport au:**

**Community and Protective Services Committee
Comité des services communautaires et de protection
April 15 2021 / 15 avril 2021**

**and Council
et au Conseil
April 28 2021 / 28 avril 2021**

**Submitted on April 6, 2021
Soumis le 6 avril 2021**

**Submitted by
Soumis par:**

**Saide Sayah, Acting Director, Housing Services/Directeur intérimaire, Services de
logement 613-580-2424 x43083, saide.sayah@ottawa.ca**

Contact Person

Personne ressource:

**Lisa Goodfellow, Manager, Social Housing Branch/ Gestionnaire, Logement
social
613-580-2424 x43240, lisa.goodfellow@ottawa.ca**

Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2021-CSS-GEN-005

SUBJECT: Housing and Homelessness Investment Plan – Housing Subsidies

**OBJET: Plan d'investissement pour le secteur du logement social et
l'itinérance – Subventions au logement**

REPORT RECOMMENDATIONS

**That Community and Protective Services Committee recommend Council
approve:**

- (1) The update of the housing allowance framework, rules and subsidy
calculation for Envelope #4 – (Rent Supplement and Housing Allowances)**

of the municipally funded Housing and Homelessness Investment Plan for new allocations to be consistent with current provincial portable housing benefit programs.

- (2) That the Director, Housing Services, be delegated the authority to reallocate funding from investment Envelope #6 (Social Housing Repairs and Renewal) of the municipally funded Housing and Homelessness Investment Plan towards investment Envelope #4 (Rent Supplement and Housing Allowances) within the same program year based on rent supplement/housing allowance demand and need rather than the current model that targets funds for exclusive use within each investment funding envelope type.
- (3) That the Director, Housing Services, be delegated the authority to reallocate \$300,000 funding from investment Envelope #5 (Supports to Housing) of the municipally funded Housing and Homelessness Investment Plan towards investment Envelope #4 (Rent Supplement and Housing Allowances) to support additional housing allowances for homeless and at risk households.
- (4) That the Director, Housing Services, be delegated the authority to allocate up to \$1 million of Ontario Priorities Housing Initiative (OPHI) Operating Component – Rental Assistance Year 3 (2021/22) funding to support additional housing allowances for homeless and at risk households, and that the use of this provincial funding align with the OPHI program guidelines and the housing allowance framework outlined in this report.
- (5) That the Director, Housing Services, be delegated the authority to allocate \$1 million of Social Services Relief Fund (SSRF) Phase 3 – Homelessness Prevention Rent Relief funding to support short term rent relief for households experiencing homelessness, and that the use of this provincial funding align with the provincial SSRF guidelines and the housing allowance framework outlined in this report.
- (6) The continuation of the Home For Good housing allowance program for new allocations utilizing available funding, first from the Social Services Relief Fund Phase 3 – Rental Assistance funding program, then from the provincial Ontario Priorities Housing Initiative Operating Component – Rental Assistance funding program, until such time that additional Home for Good operating funding is provided by the Province of Ontario.

- (7) That the Mayor pursue additional annual capital funding and permanent stable operating funding from the federal and provincial governments to add new housing subsidies for low income.

RECOMMANDATIONS DU RAPPORT

Que le Comité des services communautaires et de protection recommande au Conseil d'approuver :

- 1) La mise à jour du cadre, des règles et du calcul de la subvention des allocations de logement de l'enveloppe 4 – (suppléments au loyer et allocations de logement) du Plan d'investissement pour le secteur du logement social et l'itinérance financé par la Ville pour que les nouvelles allocations soient conformes aux programmes provinciaux de prestations de logement transférables en vigueur.**
- 2) Que le directeur, Services du logement, se voie déléguer le pouvoir de réaffecter des fonds de l'enveloppe d'investissement 6 (réfection et rénovation de logements sociaux) du Plan d'investissement pour le secteur du logement social et l'itinérance financé par la Ville à l'enveloppe d'investissement 4 – (suppléments au loyer et allocations de logement) durant la même année de programme, selon la demande et les besoins en matière de supplément au loyer et d'allocation de logement, au lieu d'utiliser le modèle actuel qui vise à ce que les fonds soient exclusivement investis à l'intérieur de l'enveloppe de financement où ils ont été placés.**
- 3) Que le directeur, Services du logement se voie déléguer le pouvoir de réaffecter 300 000 \$ de financement de l'enveloppe d'investissement 5 (aide au logement) du Plan d'investissement pour le secteur du logement social et l'itinérance financé par la Ville à l'enveloppe d'investissement 4 – (suppléments au loyer et allocations de logement) pour augmenter le nombre d'allocations de logement destinées aux ménages sans-abri et à risque.**
- 4) Que le directeur, Services du logement se voie déléguer le pouvoir d'allouer jusqu'à 1 million de dollars provenant du volet de fonctionnement de subvention au loyer (troisième année, 2021-2022) de l'Initiative liée aux priorités de l'Ontario en matière de logement afin d'augmenter le nombre d'allocations de logement pour les ménages sans-abri et à risque, et que l'utilisation de ce financement provincial soit conforme aux lignes**

directrices du programme de l'Initiative liée aux priorités de l'Ontario en matière de logement et au cadre des allocations de logement mentionnées dans le présent rapport.

- 5) Que le directeur, Services du logement se voie déléguer le pouvoir d'allouer 1 million de dollars provenant de la Phase 3 du Fonds de secours pour les services sociaux (FSSS) – allègement des loyers en prévention de l'itinérance, afin de financer des allègements de loyer à court terme pour les ménages en situation d'itinérance, et que l'utilisation de ce financement soit conforme aux lignes directrices du FSSS provincial et au cadre des allocations de logement mentionnées dans le présent rapport.
- 6) Que le programme Logements pour de bon soit prolongé pour verser de nouvelles allocations en utilisant les fonds disponibles, en commençant par ceux issus de la Phase 3 du Fonds de secours pour les services sociaux (FSSS) – programme de financement d'aide au loyer, puis en utilisant ceux du volet de fonctionnement de subvention au loyer de l'Initiative liée aux priorités de l'Ontario en matière de logement, jusqu'à ce que d'autres fonds soient versés dans le budget du programme Logements pour de bon par la province de l'Ontario.
- 7) Que le maire cherche à obtenir d'autres sources de financement annuel des immobilisations et d'autres subventions de fonctionnement permanentes et stables auprès des gouvernements fédéral et provincial afin de pouvoir proposer de nouvelles subventions au logement aux personnes à faible revenu.

EXECUTIVE SUMMARY

The purpose of this report is to outline the housing benefit programs administered by the City, the status of the programs, identify current and future short-term funding need, and outline a strategy to update the municipally funded Housing and Homelessness Investment Plan (HHIP) housing benefit program to ensure it is consistent with provincial programs and the evolving economy when it comes to rental housing.

The seven recommendations as outlined within this report will:

- update the municipally funded housing allowance program to maximize outcomes,
- fund existing housing benefit recipients to ensure housing stability, and

- support housing benefit program growth at current levels.

Housing benefit programs administered by the City of Ottawa (“City”) play an integral role in providing financial stability for low income households and provide access to permanent affordable housing for individuals and families experiencing homelessness. Housing benefits are provided either as a rent subsidy payment directly to a landlord or as a portable housing allowance directly to a household, with the intent to support household rental affordability and long-term housing stability. Unlike the 16,502 rent-geared-to-income (RGI) units within social housing communities (community housing) which were specifically built and funded to provide RGI housing, housing benefit programs such as rent supplement and housing allowances are targeted for households living within market rent units either with a non-profit, co-op or private sector landlord (market rent housing).

The City currently has four (4) rent supplement programs, and eight (8) housing allowance programs within the housing benefit portfolio providing over \$34 million in annual housing benefits, supporting over 4,700 households within market rent housing. These programs have been cost shared, with the City currently providing over \$24.5 million (72%) annually and the federal/provincial governments providing \$9.5 million (28%) annually to support these programs. The City has been the primary funder of the rent supplement programs. The federal and provincial governments have been primary funders of most portable housing allowance programs.

Housing benefit programs are in a period of transition. Over the next two (2) years, two (2) provincially funded housing allowance programs will expire, with an annual program cost of over \$1.38 million, and one municipal housing allowance program administered by the province will return for direct administration by the City with an annual program cost over \$820,000. Within this term of Council, the City will be required to provide ongoing municipal housing benefit funding to maintain housing stability for households within these expiring housing allowance programs.

In addition, one provincially funded rent supplement program will expire in early 2023 and it is unclear at this time if the province will extend the program.

Current housing benefit programs are at capacity, and future federal/provincial funding is unknown.

As of December 31, 2020, there were 12,571 households on the centralized wait list for rent geared to income housing, of which approximately 1,027 households have a Local Priority Access status – homelessness.

During this most recent term of Council (2019 and 2020) 967 housing benefits have been created. This trend is growing, with 375 new housing benefits created in 2019 and 592 in 2020 and is expected to continue for the foreseeable future.

As outlined in two recent reports to City Council, the 10-Year Housing and Homelessness Workplan 2021-22 (Council Report ACS2021-CSS-GEN-003) dated February 24, 2021, and the Housing Services Long Range Financial Plan (Council Report ACS2021-FSD-FIN-0001), dated March 10, 2021, there is an immediate and ongoing need to maintain and expand rental affordability programs for at-risk and low income households and to increase the capacity of homelessness programs, including those that provide rental assistance for people exiting homelessness.

These Council approved reports support the continuation of housing benefit programs, at their current rate of growth, which is approximately 300 individuals annually (25 per month) under the provincial Home for Good housing allowance program, and approximately 144 families (12 per month) under the municipal Housing and Homelessness Investment Plan housing allowance program for families experiencing homelessness in the Family Shelter system, for a total of at least 444 new housing subsidies per year. This is in addition to any housing benefits available under the next phases of the National Housing Strategy's Canada Ontario Housing Benefit program.

All municipal and provincial housing subsidy programs are now fully subscribed and without new or repurposed operating funding, we will not be able to support additional households within our housing benefit programs.

To date the province has not announced Phase 2 (April 1, 2022- March 31, 2025) funding for any federal/provincially funded programs. Without this funding confirmation it is very difficult to plan for the future of our housing benefits programs. In the short-term municipal funding solutions will need to support household sustainability and growth within our existing housing benefit programs.

RÉSUMÉ

L'objectif du présent rapport est de donner un aperçu des programmes de prestations de logement gérés par la Ville et de leur état, de relever les besoins actuels et futurs en matière de financement et de présenter une stratégie pour la mise à jour du Plan d'investissement pour le secteur du logement social et l'itinérance (PISLSI) financé par la Ville, afin de veiller à ce qu'il soit conforme aux programmes provinciaux et qu'il s'adapte au contexte économique changeant en ce qui concerne les logements locatifs.

Les sept recommandations présentées dans ce rapport permettront de :

- mettre à jour le Programme d’allocations de logement financé par la Ville pour en optimiser les résultats;
- continuer de verser du financement aux personnes bénéficiant déjà des prestations afin qu’elles puissent garder leur logement;
- maintenir la croissance des programmes de prestations de logement aux niveaux actuels.

Les programmes de prestations de logement gérés par la Ville d’Ottawa (la « Ville ») jouent un rôle central pour donner une stabilité financière aux ménages à faible revenu et garantir l’accès à un logement abordable permanent pour les personnes et les familles en situation d’itinérance. Les prestations de logement sont fournies soit sous la forme d’un supplément au loyer versé directement au propriétaire, soit sous la forme d’une allocation de logement versée directement au ménage, dans l’optique de soutenir l’abordabilité des logements locatifs et d’assurer la stabilité du logement à long terme. Contrairement aux 16 502 logements à loyer indexé sur le revenu (LIR) situés dans des ensembles de logements sociaux (logements communautaires) qui ont été expressément construits et financés dans l’objectif de fournir des logements à loyer indexé sur le revenu, les programmes de prestations de logement comme les suppléments au loyer et les allocations de logement sont destinés aux ménages qui vivent dans des logements au loyer du marché et dont le propriétaire peut être aussi bien une association à but non lucratif qu’une coopérative ou une entreprise privée (logement au loyer du marché).

La Ville propose actuellement quatre (4) programmes de suppléments de loyer et huit (8) programmes d’allocations de logement dans le portefeuille des prestations de logement, qui permettent de verser plus de 34 millions de dollars chaque année et qui aident plus de 4 700 ménages vivant dans des logements au loyer du marché. Ces programmes sont financés à la fois par la Ville, qui y verse chaque année plus de 24,5 millions de dollars (ou 72 %), et par les gouvernements fédéral et provincial à hauteur de 9,5 millions de dollars (ou 28 %). La Ville est donc le principal bailleur de fonds des programmes de suppléments de loyer. Quant aux gouvernements fédéral et provincial, ils sont les principaux bailleurs de fonds de la plupart des programmes d’allocations de logement transférables.

Les programmes de prestations de logement sont en pleine période de transition. Dans les deux (2) années qui viennent, deux (2) programmes d’allocations de logement financés par la province vont arriver à échéance et leur coût annuel revient à

1,38 million de dollars. En plus de cela, l'administration d'un programme d'allocations de logement municipal sera transférée de la province à la Ville, pour un coût annuel de 820 000 \$. Dans le cadre du mandat actuel du Conseil, la Ville devra continuer à financer les prestations de logement afin de garantir l'accès à un logement stable pour les ménages dépendant de ces programmes d'allocations de logement destinés à disparaître.

En outre, un programme de suppléments de loyer financé par la province se terminera au début de 2023, et il est impossible à ce jour de savoir s'il sera prolongé.

Les programmes actuels de prestations de logement fonctionnent au maximum de leur capacité et nous ne savons pas ce que les gouvernements fédéral et provincial nous réservent en matière de financement.

Au 31 décembre 2020, 12 571 ménages figuraient sur la liste d'attente centralisée pour les logements à loyer indexé sur le revenu, dont 1 027 ont un statut d'accès prioritaire local pour les sans-abris.

Au cours des derniers mandats du Conseil (2019 et 2020), 967 prestations de logement ont été créées. On observe une tendance à la hausse, car 375 ont été créées en 2019 et 592 en 2020, et il ne semble pas que cette courbe fléchira de sitôt.

Comme indiqué dans deux récents rapports au Conseil municipal – le Plan décennal de logement et de lutte contre l'itinérance 2021-2022 (rapport au Conseil ACS2021-FSD-GEN-003), daté du 24 février 2021, et le Plan financier à long terme des Services du logement (rapport au Conseil ACS2021-FSD-FIN-0001), daté du 10 mars 2021 – il est indispensable à court comme à long terme de maintenir et de développer les programmes d'abordabilité des logements pour les ménages à risque et ceux à faible revenu, mais aussi d'augmenter la capacité des programmes de lutte contre l'itinérance, notamment de ceux qui proposent une aide au loyer aux personnes sortant de l'itinérance.

Ces rapports approuvés par le Conseil sont en faveur de la prolongation des programmes de prestations de logement, à leur rythme de croissance actuel, soit environ 300 personnes de plus par année (ou 25 par mois) dans le cadre du programme Logements pour de bon, et environ 144 familles (12 par mois) dans le cadre du Plan municipal d'investissement pour le secteur du logement social et l'itinérance qui est destiné aux familles en situation d'itinérance faisant partie du réseau des refuges pour familles; le tout représente un total de 444 nouvelles subventions au logement par an. Ces programmes viennent en sus des prestations pour logement offertes dans le

cadre des prochaines étapes du Programme d’allocations Canada-Ontario pour le logement de la Stratégie nationale sur le logement.

Les inscriptions à l’ensemble des programmes de subvention au logement municipaux et provinciaux sont désormais closes, et en l’absence de nouveaux fonds de fonctionnement ou de redistribution des fonds dont nous disposons actuellement, nous ne pourrions pas soutenir d’autres ménages dans le cadre de nos programmes de prestations de logement.

Jusqu’ici, la province n’a pas annoncé le montant du financement octroyé pour la deuxième phase (1^{er} avril 2022-31 mars 2025) des programmes financés par le gouvernement fédéral ou provincial. Sans connaître ces montants, il est difficile de planifier le fonctionnement de nos propres programmes. Il faudra trouver des solutions de financement municipales à court terme pour maintenir et développer nos programmes de prestations de logement.

BACKGROUND

Housing benefit programs administered by the City of Ottawa (“City”) play an integral role in providing financial stability for low income households and provide access to permanent affordable housing for individuals and families experiencing homelessness. Housing benefits are provided either as a rent subsidy payment directly to a landlord or as a portable housing allowance directly to a household, with the intent to support household rental affordability and long-term housing stability. Unlike the 16,502 rent-geared-to-income (RGI) units within social housing communities (community housing) which were specifically built and funded to provide RGI housing, housing benefit programs such as rent supplement and housing allowances are targeted for households living within market rent units either with a non-profit, co-op or private sector landlord (market rent housing).

The table below outlines and summarizes the current Housing Benefit Programs referenced throughout the report.

Program Name	Government Funder	Annual Budget	Current Funding Timeframe	Number of Households Served
Rent Supplement Programs -	City – 95%	\$19.77 M	Legislated with the Housing Services Act	2326

Community Sponsored and Commercial	Federal - 5%		ending by 2030	
Rent Supplement – Strong Communities	Province – 100%	\$2.69 M	March 2023	314
Rent Supplement – HHIP	City – 100%	\$2.92 M	Ongoing	377
Housing Allowance – HHIP (city administered)	City – 100%	\$2.32 M	Ongoing	531
Housing Allowance – HHIP (provincially administered)	City – 100%	\$0.82 M (prepaid with MMAH until June 30, 2021)	June 2021	178
Housing Allowance – Home for Good	Cost shared Federal and Provincial - 100%	\$2.10 M	March 2022	353
Housing Allowance – COHB	Cost shared Federal and Provincial - 100%	\$2.48 M	March 2022	343
Housing Allowance – IAH-E singles	Cost shared Federal and Provincial - 100%	\$0.20 M	June 2021 for 28 HH's June 2022 for 38 HH's	66
Housing Allowance –	Cost shared Federal and Provincial -	\$1.18 M	October 2022	239

IAH-E families	100%			
Housing Allowances – SIF Co-op, and Anti-Human Trafficking	Cost shared Federal and Provincial - 100%	\$.06 M	March 2024	11
Totals:		\$34.5 M		4738

Pursuant to the *Housing Services Act, 2011*, the City, as Service Manager, is required to maintain a minimum of 16,502 rent-geared-to-income units (RGI). Most of these RGI units are located within the 17,122 unit social/community housing portfolio, which is administered under eight (8) social housing programs that were originally developed under federal and/or provincial funding programs between the early 1960's to 1996. These programs were specifically designed to build and fund permanent RGI housing units and are cost shared with the City providing \$61.0 million (82%) and the federal government providing \$13.8 million (18.4%) of the annual funding. All social housing programs will reach the end of their operating agreement and/or mortgage obligations within the next 5 to 10 years, with some having already reaching this program milestone.

In addition to the RGI units, the City also administers housing benefit programs, which play an integral role in providing financial stability for low income households and provide access to permanent affordable housing for individuals and families experiencing homelessness. Housing benefits are provided either as a rent subsidy payment directly to a landlord or as a portable housing allowance paid directly to a household. Housing benefit programs are targeted for low income households living within market rent units either with a non-profit, co-op or private sector landlord (market rent housing).

The City administers four (4) rent supplement programs, and eight (8) housing allowance programs within its housing benefit portfolio providing over \$34 million in annual housing benefits to support over 4,700 households within market rent housing. These programs have been cost shared, with the City providing over \$24.5 million (72%) annual funding and the federal/provincial governments providing \$9.5 (28%) annual funding.

Of the Twelve (12) City-administered housing benefit programs:

1. Two (2) of the rent supplement programs, the Community Sponsored and the Commercial rent supplement programs, are legislated under the *Housing Services Act, 2011* and contribute towards the City maintaining 16,502 RGI units, as required under the *Housing Services Act, 2011*. These programs have been cost shared, with the City currently providing \$18.73 million (95%) in annual funding, while the federal government is providing approximately \$1.03 (5%) annually. These rent supplement programs have funding and service level requirements until 2030.
2. Two (2) municipally funded housing benefit programs under the Housing and Homelessness Investment Plan, one (1) rent supplement program and one (1) housing allowance program, with a total current annual budget of approximately \$5.72 million.
3. The province fully funds one (1) rent supplement program, the Strong Communities program which has an annual budget of \$2.69 million. This rent supplement program will expire on March 31, 2023, and
4. The federal and provincial governments cost share seven (7) housing allowance programs. The current annual total funding for these seven programs is approximately \$5.95 million. The program name and current program funding end date for each is as follows:
 - a. Social Infrastructure Fund – Co-op (March 2024),
 - b. Home For Good, Canada-Ontario Housing Benefit (March 2022),
 - c. Investing in Affordable Housing Singles (June 2021 & June 2022),
 - d. Investing in Affordable Housing Families (October 2022),
 - e. Anti-Human Trafficking – Voices Found (March 2024) and
 - f. the Anti-Human Trafficking – A New Day program (March 2024).
 - g. Although Home for Good and Canada Ontario Housing Benefit funding has not been announced by the province as of the date of this report, staff anticipate funding will be available past April 2022.

Housing and Homelessness Investment Plan – Housing Benefits and Social Housing Capital Repairs:

The City first introduced municipally developed and funded housing benefits for low income and households experiencing homelessness in 2011. On May 11, 2011, City Council approved the \$14 Million Housing and Poverty Reduction Strategy, now known as the Housing and Homelessness Investment Plan (HHIP) (ACS2011-COS-CSS-0005 Housing and Poverty Reduction Investment Plan). The plan included seven investment

envelopes, one of which is rent subsidies, now more commonly referred to as housing benefits, (Envelope #4), and one is social housing repairs/renewal, (Envelope #6).

On January 12, 2012, City Council approved the implementation plan, rules and subsidy calculation framework for housing benefit Envelope #4 (Council Report #ACS2012-COS-CSS-002 – Short Term Rent Support Program – Policy Framework) and the number of households to be subsidized within that budget envelope. On June 13, 2012, City Council approved the capital allocation framework for social housing repairs/renewal Envelope #6 (Council Report #ACS2012-COS-CSS-007 – Capital Allocation for Social Housing Repair). The program rules, housing benefit subsidy calculation and capital allocation framework for both funding envelopes have been in place since that time.

The current program framework for each funding envelope is as follow:

Social Housing Repair funding is allocated to prescribed Housing Providers currently in receipt of annualized capital subsidy contributions as outlined in legislation and operating agreements, in a manner supported by data identified in the 2012 Capital Building Program (and subsequent capital planning and Asset Planner updates) and the current level of capital subsidy contributions received from the Service Manager. This is administered as an annual ‘one-time’ capital program, with eligible housing providers submitting business cases to support capital repair funding requests. Funding is allocated based on need, ranked on five priorities: legislative and code requirements, structural and building envelope, critical building systems, energy efficiency and accessibility.

Rent Supplements provide a rent subsidy that is geared to a household’s income. The household’s portion of rent payable is typically no more than 30 per cent of their income, with the City paying the remaining amount (unless an individual is in receipt of social assistance). Rent Supplements are paid directly to the landlord and therefore require an ongoing agreement between the City and the landlord regarding the rent, and the type and size of unit. The subsidy is linked to the unit rather than the household such that the household must live in a specific unit to be in receipt of the subsidy. These rent supplements most resemble rent-geared-to-income.

Housing Allowances provide a subsidy to qualifying households that is determined based on their family composition rather than their income. The subsidy is \$250 for a single person plus \$50 for each additional household member. The subsidy can be paid directly to qualifying households to assist with rental housing costs and is portable such

that the household can live wherever they choose within the City of Ottawa without losing their subsidy.

On June 21, 2018, City Council approved the allocation of rent supplement and housing benefits, from envelope #4 as a single budget for housing benefits rather than on a specific quantity of households for each housing benefit type as was previously the case (Council Report # ACS2-18-CSS-GEN-00010 – Housing Services Funding Allocation of Housing and Homelessness Investment Plan Envelope #4 – Rent supplement and Housing Allowances) to efficiently respond to the changing housing environment, better meet demand and respond to the needs of residents in a timely manner.

Over the last seven (7) years there has been a substantive thirty (30) percent decrease in the number of private market landlords interested in maintaining a rent supplement agreement with the City. This trend is due to low vacancy rates, the ability to easily attract high market rents within the rental market, and very high resale value of rental properties. Landlords do not want to be encumbered with additional agreements or requirements in the current rental housing market.

When a rent supplement agreement is cancelled/terminated, the in-situ household continues to receive the housing benefit until either they move out or they no longer meet the program requirements. Given very low unit turnover the number of funded rent supplement units remains relatively constant, although the number of cancelled rent supplement agreement grows each year. When the rent supplement unit becomes vacant it will not be replaced with another rent supplement household.

Unlike rent supplements, the demand for housing allowances is in a period of growth. The portability of the housing benefit along with the household ability to select the rental unit where they want to live has significantly increased the demand for this type of benefit. It has proven to be an efficient and effective financial tool to move households from homelessness to permanent housing and it does not require the City to have an agreement with the landlord.

Housing and Homelessness Investment Plan – Supports to Housing:

As outlined above, on May 11, 2011, City Council approved the \$14 Million Housing and Poverty Reduction Strategy, now known as the Housing and Homelessness Investment Plan (HHIP) (ACS2011-COS-CSS-0005 Housing and Poverty Reduction Investment Plan). Three of the seven investment envelopes are: supports to housing (Envelope #5), energy fund (Envelope #2) and employment supports – breaking the cycle of poverty (Envelope #3). The focus of these funding envelopes is to provide financial supports

and services for low income households, and chronically homeless or at-risk households that require supports to retain their homes.

As outlined in the City Council approved report Housing Services and Community Funding: Grants and Contributions (Council Report ACS2016-COS-CSS-0004), dated April 27, 2016, Council approved the re-allocation of \$305,000 from investment Envelope #2 (Energy Fund) and Envelope #3 (Employment Supports) towards investment Envelope #5 (Supports to Housing) to better support the current needs of the community. Within these funding envelopes, the province had absorbed the costs of some program expenditures, and demand was lower than expected for other programs.

Recipients of funding under Envelope #5 are private and not-for profit corporations that operate eligible programs and services as approved by Council. These services provide safe, supportive housing to people living with psychiatric, developmental and physical disabilities. Additional Envelope #5 funding was needed at that time to enhance services, increase the number of residential service beds and add the operators as eligible private and/or non-profit providers.

Since the funding reallocation to Envelope #5 in 2016 the residential services program has changed, with decreased need and demand for residential service beds and services. Approximately \$300,000 of the Envelope #5 budget is unallocated. Given the current housing environment, this is not the highest and best use of these municipal funds within the Housing and Homelessness Investment Plan.

Number of Households in Receipt of Housing Benefits, Funding Assumptions and Risks:

In 2011, as part of the City Council approved Housing and Homelessness Investment Plan, annual funding under Envelope #4 (Rent Supplement and Housing Allowances) and Envelope #6 (Social Housing Repairs and Renewal) was established. In 2013 the combined base budget established for these two (2) envelopes was \$7 million (rent supplements/housing allowances - \$5 million, capital repair - \$2 million plus unallocated annualized operating dollars) which has been increased each year by a 2% annual inflation factor. In 2021 the combined funding for these two envelopes is \$8,247,073, which currently supports approximately 908 households. Based on the Council-approved Long-Range Financial Plan and 10-Year Housing and Homelessness Plan, it is assumed that this level of municipal funding will be maintained or increased over the next 10 years.

As noted previously, the provincial government funds 100% of the cost towards the Strong Communities Rent Supplement Program. In 2021, the cost of this program is \$2,694,458, which currently supports 314 households. Provincial funding for this program ends on March 31, 2022. The province is currently reviewing this program, but there have been no program or funding announcements to date. The municipality will be required to fund these subsidies if the provincial funding is not expended.

The federal government contributes diminishing funding each year towards two (2) legislated rent supplement programs, the Community Sponsored and the Commercial rent supplement programs. These rent supplement programs currently support 2,326 households. In 2021 the annual municipal funding contribution is approximately \$18,735,301 (95%), while federal funding is approximately \$1,035,320 (5%) for a total program cost of \$19,770,621. All federal funding for these programs will end by 2030. The budget pressure created by these diminishing federal funds has been included within the recent Housing Service Long Range Financial Plan presented to Council on March 10, 2021.

In November 2017, the federal government released the National Housing Strategy (NHS), a 10-year \$40 billion national plan to increase access to housing, reduce housing need and achieve better housing solutions across the housing continuum. Under Phase 1 (April 1, 2019 to March 31, 2022) of the provincially administered strategy, the City received the following funding:

- Ontario Priorities Housing Initiative \$17.68 million
- Canada-Ontario Community Housing Initiative \$22.43 million
- Canada-Ontario Housing Benefit \$4.38 million

Some funding under Phase 1 of each initiative was available to support new housing benefits. To date, the City has fully committed the \$4.38 million under the Canada-Ontario Housing Benefit (COHB) program. Staff are recommending allocating up to \$1 million under Year 3 of the Ontario Priorities Housing Initiative (OPHI) to fund new housing allowances. Under Year 3 of the Canada Ontario Community Housing Initiative (COCHI) \$2 million has been allocated for rent supplements to support two (2) Urban Native social housing providers. All funding under these NHS programs must be fully expended by March 31, 2022.

During this same 2019 to 2022 time period, the province provided \$4.7 million annual funding for the Home For Good Program, of which \$2.1 million has been used for portable housing benefits. All funds have been fully committed for this program.

To date the province has not announced Phase 2 (April 1, 2022 to March 31, 2025) funding for any of these programs.

In total, federal and provincial governments cost share seven (7) housing allowance programs: Social Infrastructure Fund – Co-op, Home for Good, Canada Ontario Housing Benefit, Investing in Affordable Housing Singles, Investing in Affordable Housing Families, Anti-Human Trafficking – Voices Found and the Anti-Human Trafficking – A New Day program. The current annual budget is approximately \$5.96 million for these programs, which currently supports up to 1015 households.

The Investing in Affordable Housing programs are expiring over the 2021 to 2022 period. Funding is committed for the Social Infrastructure Fund and Anti- Human Trafficking programs until 2024, and as identified above, funding for the Home for Good and Canada Ontario Housing Benefit programs has not been confirmed beyond March 31, 2022.

Without federal and provincial funding confirmation for most programs beyond March 31, 2022 it is very difficult to plan for sustainability and growth within our housing benefits programs. Municipal solutions will be needed to support sustainability and short-term growth within existing housing benefit programs. These solutions are outlined within the discussion section below.

DISCUSSION

As outlined in two recent City Council approved reports, the 10-Year Housing and Homelessness Workplan 2021-22 (Council Report ACS2021-CSS-GEN-003) dated February 24, 2021, and the Housing Services Long Range Financial Plan (Council Report ACS2021-FSD-FIN-0001) dated March 10, 2021, there is an immediate and ongoing need to maintain and expand rental affordability programs for at-risk and low income households and to increase the capacity of homelessness programs, including those that provide rental assistance for people exiting homelessness.

These Council reports support the continuation of housing benefit programs at their current rate of growth, which is approximately 300 individuals annually (25 per month) under the Home For Good housing allowance program, and approximately 144 families (12 per month) under the HHIP housing allowance program for homelessness families in the Family Shelter system, for a total of approximately 444 new housing subsidies per year. This is in addition to any housing benefits available under Phase 2 and 3 of the provincially administered Canada Ontario Housing Benefit program.

Housing benefit programs are in a period of transition, as some federal and provincially funded programs are expiring, current programs are at capacity, and future federal and provincial funding is unknown, all while there is increased demand and need for additional housing subsidies.

As a result of the current, predictable and anticipated housing and homelessness environment, staff have seven (7) recommendations to:

- update the municipally funded housing allowance program to maximize outcomes,
- fund existing housing benefit recipients to ensure housing stability, and
- support housing benefit program growth at current levels.

Each recommendation is outlined below.

Recommendation #1 – Update the housing allowance framework and subsidy calculation for Envelope #4 (Rent Supplements and Housing Allowances) of the Housing and Homelessness Investment Plan:

Staff recommend updating the housing allowance framework and subsidy calculation for the municipally funded housing allowances under Envelope #4 of the Housing and Homelessness Investment Plan (HHIP) to be consistent with the current income-based provincial portable housing benefit programs and framework.

The original HHIP housing allowance policy framework was approved by Council on January 25, 2012 (Council Report #ACS2012-COS-CSS-002). This housing allowance framework has remained in place since that time. It modeled the Province of Ontario Short-Term Rent Support Program, a program that the City had been administering on behalf of the province since December 2010.

Primary program rules and eligibility criteria are as follows:

- Rent support is \$250 for an individual, households with more than one person receive an additional \$50 for each additional eligible family member, calculated as a fixed rate tiered housing benefit
- Rent support is paid directly to the household, and the housing benefit is portable anywhere within the City of Ottawa
- Applicants must be on or eligible to be on the Centralized Wait List for Rent-Geared-To-Income Assistance
- Applicants can remain on the Centralized Wait List while in receipt of this benefit

- Eligibility is reviewed on an annual basis
- Income is verified using the most recent years Canada Revenue Agency Income Tax Notice of Assessment.

Although this portable housing subsidy model was successful in assisting households experiencing homelessness' access and maintain housing for a number of years, household need, and the housing rental market have changed over the last nine (9) years. The rent support model has become a barrier for households within the emergency shelter system since it is insufficient to secure and maintain housing within the private rental market.

Over the last four (4) years, the City has administered new portable housing benefit programs on behalf of the province. These include the Special Provincial Priority-Portable Housing Benefit (SPP-PHB), Home For Good (HFG) and most recently the Canada-Ontario Housing Benefit (COHB). These programs typically have a more substantive housing benefit creating deeper rental affordability for households and the programs offer first and last month's rent. The programs have been very successful in assisting households with either an SPP Provincial Priority (households fleeing domestic violence) or the local Homeless Priority to secure and maintain affordable housing within the private rental market.

The new funding model under the most recent and current provincial housing benefit programs includes:

- Households must be removed from the Centralized Wait list once in receipt of the housing benefit,
- funding of first and last month's rent when required, and
- calculation of the monthly housing benefit using a provincial income-based formula that takes into account both the average market rent (AMR) for the Ottawa area and the household income from income tax assessments.

The monthly benefit is the lessor of:

$$(AMR \times 80\%) - [(Adjusted \text{ Family Net Income} \times 30\%) / 12]$$

or

Actual shelter costs up to a maximum of AMR – Social Assistance Shelter Allowance

Comparison of Actual Average Market Rent (AMR) Paid by Households Within the Ottawa Rent Supplement and Housing Allowance Programs:

Unit Size	Rent Supplement Apartment AMR	Rent Supplement Townhouse AMR	Provincial Housing Benefit AMR – All Units (HFG & COHB)	Provincial Housing Benefit AMR - Move to New Rental Unit (HFG & COHB)
1 Bedroom	\$983	n/a	\$958	\$1,227
2 Bedroom	\$1206	\$1327	\$1307	\$1,458
3 Bedroom	\$1478	\$1433	\$1516	\$1,630
4 Bedroom	n/a	\$1551	n/a	n/a

Housing Benefit Comparison for Ottawa Households:

Housing Benefit Program	Average Monthly Housing Subsidy	Average First and Last Month's Rent Benefit
Fixed-rate tiered housing allowance programs - families	\$388	n/a
Fixed-rate housing allowance programs - singles	\$250	n/a
New provincial income-based housing allowance programs – families	\$617	\$2,500
New provincial income-based housing allowance programs – singles	\$494	\$1,734
Rent Supplement subsidy programs (30% of household income) – families	\$700	n/a
Rent Supplement subsidy programs (30% of household income) – singles	\$599	n/a

The projected costs over the 2021-2025 period to convert from traditional fixed-rate tiered housing allowances to an income based provincial housing allowance framework for new households are as follows:

Program	2021	2022	2023	2024	2025
HHIP - New Families *	\$599,940	\$1,758,227	\$2,891,854	\$4,070,123	\$5,294,366
HFG - New Singles **	\$958,275	\$2,925,819	\$4,875,783	\$6,902,574	\$9,008,488

* Based on 12 new families per month within HHIP, indexed at 2% per year

**Based on 25 singles per month within Home for Good, indexed at 2% per year

Households that were eligible for provincially funded housing allowance programs (using the income-based funding model), had increased interest in the housing benefit and found housing more quickly compared to households that only had access to fixed-rate tiered housing allowance programs. In 2020, 460 new households under the Home for Good and Canada Ontario Housing Benefit programs, quickly acquired and maintained private market housing with the assistance of these new provincial housing benefits. This is a direct result of access to first and last month's rent to secure a private market rental unit and a more generous monthly housing subsidy, which closely resembles the subsidy of rent-geared-to-income, to support housing affordability.

It is recommended that Staff be authorized to update the municipally funded fixed-rate housing allowance framework such that the framework aligns with the current provincial income-based housing benefit framework including the housing subsidy calculation for new recipients of the HHIP housing allowance program, as outlined within this report. Funding recommendations to support these additional program costs are outlined later within this report.

Recommendation #2 – Reallocate funding from investment Envelope #6 (Social Housing Repairs and Renewal) towards investment Envelope #4 (Rent Supplement and Housing Allowances) of the municipally funded Housing and Homelessness Investment Plan based on demand and need:

As outlined in two (2) recent City Council reports, the 10-Year Housing and Homelessness Workplan 2021-22 (Council Report ACS2021-CSS-GEN-003) dated February 24, 2021, and the Housing Services Long Range Financial Plan (Council Report ACS2021-FSD-FIN-0001) dated March 10, 2021, demand for housing benefits greatly exceeds supply. Many households are either experiencing homelessness or are

at risk of homelessness due to lack of housing affordability. There are currently over 12,571 households on the centralized wait list for rent-geared-to-income assistance, of which approximately 1,027 households have a homeless priority.

All municipally funded and provincially funded housing benefit programs are at capacity. In order to assist new households to access and maintain affordable housing options, and to continue to fund households in expiring housing allowance programs, housing benefit programs must continue to expand and grow. Either additional funding from all levels of government or re-purposed funding is required to support this growth.

On June 30, 2021 two (2) housing allowance programs will expire and the administration and funding of the allowances for these households will be transferred to the City under the HHIP housing allowance program. The programs are as follow:

Program	Current Annual Budget	Program Expiry	HHIP Budget Pressure	Number of Households
Housing Allowance – HHIP (provincially administered)	\$.82 M	June 30, 2021	\$412,300 (2021) \$794,448 (2022) \$769,820 (2023) \$745,956 (2024) \$722,831 (2025)	178
Housing Allowance – IAH-E singles	\$.2 M	June 2021 expiry for 28 HH's June 2022 expiry for 38 HH's	\$ 49,000 (2021) \$155,902 (2022) \$198,664 (2023) \$192,506 (2024) \$186,538 (2025)	66

In October 2022 it is anticipated one (1) additional housing allowance program will be expiring and the administration and funding of the allowances for these households will be transferred to the City under the HHIP housing allowance program. It is as follow:

Program	Current Annual Budget	Program Expiry	HHIP Budget Pressure	Number of Households
Housing Allowance – IAH-E families	\$1.18 M	October 2022	\$249,120 (2022) \$1,125,590 (2023) \$1,069,311 (2024) \$1,015,845 (2025)	239

The cost to provide 12 new HHIP family housing allowance per month starting April 2021 is:

Program	2021	2022	2023	2024	2025
HHIP - New Families	\$599,940	\$1,758,227	\$2,891,854	\$4,070,123	\$5,294,366

The current 2020 budgets under the HHIP's Envelope #4 – Housing Benefits and Envelope #6 - Social Housing Capital Repairs funding envelopes are as follows:

HHIP Funding Envelope	2020 Budget
Envelope #4- Rent Supplements	\$3,202,743
Envelope #4- Housing Allowances	\$1,852,687
Envelope #6- Social Housing Capital Repairs	\$3,024,955
Total Budget:	\$8,080,385

To incorporate expiring housing allowance programs in 2021, 2022 and 2023 and to allow for new growth of 12 families per month under the new provincial housing benefit framework starting in April 2021, projected HHIP housing benefit and social housing capital repair funding envelope expenditures are as follows:

HHIP Funding Envelope	2021 Budget	2021 Projected Costs	Variance
#4- Rent Supplements	\$2,932,424	\$2,932,424	\$0
#4- Housing Allowances	\$2,788,422	\$2,788,422* includes a \$238,968 contingency for additional growth	\$0
#6- Capital Repairs	\$2,526,277	\$2,526,227	\$0
Total Budget:	\$8,247,073	\$8,080,385	\$0
HHIP Funding Envelope	2022 Budget	2022 Projected Costs	Variance
#4- Rent Supplements	\$2,658,376	\$2,658,376	\$0
#4- Housing Allowances	\$3,176,887	\$4,401,743	\$1,224,856
#6- Capital Repairs	\$2,576,752	\$1,351,895	-\$1,224,856
Total Budget:	\$8,412,015	\$8,412,015	\$0

HHIP Funding Envelope	2023 Budget	2023 Projected Costs	Variance
#4- Rent Supplements	\$2,591,917	\$2,591,917	\$0
#4- Housing Allowances	\$3,360,051	\$6,330,875	\$2,970,824
#6- Capital Repairs	\$2,628,287	\$0	-\$2,628,287
Total Budget:	\$8,580,255	\$8,412,015	- \$342,537

As outlined above, in 2021 the HHIP housing benefit funding envelope will be able to fully integrate expiring housing benefit programs while supporting housing allowances for 12 new families each month. This can be done while maintaining full funding within the capital repair investment envelope.

In 2022, unless other municipal funding is added or repurposed from other HHIP funding envelopes, the capital repair funding envelope will be required to transfer approximately \$1,224,856 to the housing benefit envelope to support expiring housing programs and to sustain the growth of housing benefits for 12 new families per month.

Starting in 2023, the capital repair envelope will be fully depleted, as all HHIP funding will be required to support the housing benefit funding envelope. Even with this funding, the housing benefit program will have a projected annual deficit of \$342,537. This deficit is projected to grow to \$1,130,852 in 2024 and \$1,970,438 in 2025, based on current HHIP municipal funding levels. Additional municipal, provincial and/or federal funding sources will be required to support existing households and continued growth of new housing benefits for 12 families per month.

Note, this funding analysis does not include funding for 25 additional individuals per month under the Home for Good housing allowance program. Costs associated with those benefits are addressed separately within the report.

As outlined above, if no new additional funding becomes available to support the municipally funded housing benefit program growth and sustainability, staff recommend the ability to reallocation of funding from investment Envelope #6 (Social Housing Repairs and Renewal) of the municipally funded HHIP towards Investment Envelope #4 (Rent Supplement and Housing Allowances) within the same program year, based on housing allowance demand and need.

Although social housing capital repair funding under Envelope #6 of HHIP has been fully allocated each year since program inception, there are other capital repair funding initiatives such as the provincially funded Canada-Ontario Community Housing Initiative

(COCHI) that offer substantive and increased funding each year to support community housing capital repairs and retrofits. For Year 3 (April 2021 – March 2022) of the COCHI program, approximately \$6.9 million will be available for social housing capital repairs. Phase 2 (April 2022- March 2025) COCHI funding has not yet been confirmed by the province, but it is anticipated COCHI funding will continue to grow during this period, as COCHI funding is equivalent and comparable to lost federal funding for social housing programs.

Recommendation #3 – Reallocate \$300,000 from investment Envelope #5 (Supports to Housing) towards investment Envelope #4 (Rent Supplement and Housing Allowances) of the municipally funded Housing and Homelessness Investment Plan to support additional housing allowances:

As previously outlined within the report, additional or repurposed municipal, provincial and/or federal funding sources will be required to support both continued housing benefits for existing households and housing benefit growth for new recipients.

As outlined in City Council report Housing Services and Community Funding: Grants and Contributions (Council Report ACS2016-COS-CSS-0004), dated April 27, 2016, City Council approved the re-allocation of \$305,000 from investment Envelope #2 (Energy Fund) and Envelope #3 (Employment Supports) towards investment Envelope #5 (Supports to Housing) of the Housing and Homelessness Investment Plan. Additional Envelope #5 funding was needed to enhance services, increase the number of residential service beds and add the operators as eligible private and/or non-profit providers.

Since the funding reallocation in 2016 there has been decreased need and demand for these residential beds and services. Approximately \$300,000 of the Envelope #5 annual budget for residential services has not been used. It is anticipated this will continue for the foreseeable future.

Staff recommend the permanent reallocation of \$300,000 of annual funding from investment Envelope #5 (Supports to Housing) towards investment Envelope #4 (Rent Supplement and Housing Allowances) of the municipally funded Housing and Homelessness Investment Plan. This will support the continued growth of the housing benefit program and will reduce the immediate need to reallocate funds from Envelope #6 (Social Housing Repairs and Renewal) to support this growth.

It is recommended that \$92,000 of annual funding remain within Envelope #5 in the event of Covid-19 pandemic related needs for housing with supports.

Recommendation #4 - Allocate up to \$1 million of the provincial Ontario Priorities Housing Initiative (OPHI) Operating Component – Rental Assistance Year 3 (2021/22) funding to support additional housing allowances:

As outlined in the Ontario Priorities Housing Initiative Council Report dated June 26, 2019 (Council Report ACS2019-CSS-GEN-0008), the provincially funded Ontario Priorities Housing Initiative (OPHI) offers funding within two components:

1. the Capital Component for new affordable rental housing development and Ontario Renovates accessibility retrofits, and
2. the Operating Component for household rental assistance.

For the first two (2) years of Phase 1 of the program, funding has primarily been used to support new affordable rental housing development and Ontario Renovates accessibility retrofits within the community.

For year 3 (2021 to 22) of the OPHI program over \$5.8 million is available to support new rental development, accessibility retrofits and housing rental assistance initiatives. Given the current funding commitments, and the number of affordable housing rental development projects currently underway it is anticipated up to \$1 million of Year 3 OPHI funding could be available to support household rental assistance.

As previously identified within this report, demand greatly exceeds the supply of housing allowances to support low income and households experiencing homelessness. As described in Recommendation #2 section above, if HHIP capital repair funding is not transferred for use within the housing benefit envelope in 2022, up to \$1,224,856 in additional funding will be required to support households within the HHIP housing allowance program. In 2023, the funding deficit grows to \$2,970,824 if capital repair funding is not transferred for use within the housing benefit envelope. If capital repair funds are transferred the projected deficit is much less at \$342,537.

As outlined within the next sections of this report there may also be the need to provide additional short-term funding for the January 1 – March 31, 2022 period to support growth within the Home for Good housing allowance program.

As such, authority is being requested to allocate up to \$1 million of Year 3 (2021-22) OPHI funding from the Operating Component – Rental Assistance to fund new housing allowances for homeless and at-risk households, if required. The provincial portable

housing allowance framework would be used for the allocation of these housing allowances, subject to any other OPHI program requirements.

While staff anticipate funding will be available past April 22, Phase 2 of OPHI funding has not been announced by the province as of the date of this report.

Recommendation #5 - Allocate \$1 million of the provincial Social Services Relief Fund Phase 3 – Homelessness Prevention Rental Relief (April 1 – December 31, 2021) funding to support additional housing allowances:

On March 10, 2021, the Minister of Municipal Affairs and Housing announced \$255 million of additional funding through the third phase of Ontario’s Social Services Relief Fund (SSRF). The funds are intended to continue to protect the health and safety of vulnerable people as the province begins to recover from the COVID-19 pandemic. Ottawa has been allocated \$21,582,394 in provincial funding through Phase 3 of SSRF. All funding must be fully allocated and expended by December 31, 2021.

One eligible category of funding is Homelessness Prevention – Rent Relief. This can be provided as a short-term housing benefit to support housing stability between the April to December 2021 period. Upon consultation with the province, it has been confirmed that a rent relief methodology similar to the current provincial housing allowance framework can be used under this program. Eligible costs include first and last month’s rent. Given the flexible program design, the use of SSRF Phase 3 funds are a good short-term solution to bridge provincial housing allowance programs that are at capacity until longer term provincial funding is announced.

As previously outlined within this report, a number of provincial housing allowance programs are at full capacity, of which the Home for Good housing allowance program is a top priority, as it directly supports the City’s Housing First program. Staff recommend authority to the allocate of \$1 million of Social Services Relief Phase 3 towards the Homelessness Prevention Rental Relief category of funding to provide short-term financial funding to support additional housing allowance for our homeless population.

If the province does not provide additional funding for Home for Good starting in April 2022, this will put additional exponential funding pressure on Ontario Priorities Housing Initiative Operating Component – Rental Assistance and Canada Ontario Housing Benefit funding to support both existing clients and new clients.

Recommendation #6 - Continuation of the Home for Good housing allowance program for new recipients:

As outlined in the recent Housing Services Long Range Financial Plan Council report dated March 10, 2021 (Council Report ACS-2021-FSD-FIN-0001), the current Home for Good program provides \$4.7 million per year for housing allowances, first and last month's rent and support services for clients. All housing allowances under the program have been committed at a cost of \$2.1 million annually and demand continues to grow for these benefits.

The Home For Good housing allowance program has been a key component of creating housing stability for homeless and at-risk individuals. The benefits of the program far exceed the costs since it primarily assists in moving homeless households out of the shelters into permanent housing. There has been considerable community interest in the continuation of the Home for Good housing allowance program. This is a provincially funded program, and the Province has not yet indicated whether any additional program funding will be offered during the current April 2021- to March 2022 funding year. A formal request from the Mayor to the Minister of Municipal Affairs and Housing was sent in October 2020 requesting addition funding for housing allowances under this program. The Provincial response did not commit any new funding to address this need.

As identified within this report, there are two preferred alternate funding sources to support growth within the Home for Good Housing Allowance program: \$1 million from the Social Services Relief Fund Phase 3 – Homelessness Prevention Rent Relief funding envelope and up to \$1 million in rental assistance funding from Year 3 OPHI Operating Component-Rental Assistance. As SSRF Phase 3 funding is only available for use until December 31, 2021, Year 3 OPHI funding may be required to bridge the January 1- March 31, 2022 period.

In order to support current growth of 25 individuals per month in the Home for Good program, for the period of April 1 to December 31, 2021, it would require approximately \$958,275 in new additional funding, of which \$568,125 would be for housing allowances and \$390,150 would provide first and last month's rent. An additional \$557,609 in new funding would be required for the January 1 to March 31, 2022 period.

The overall additional cost to support 25 new individuals per month using the provincial housing allowance framework is as follow:

Program	2021	2022	2023	2024	2025
----------------	-------------	-------------	-------------	-------------	-------------

HFG - New Singles	\$958,275	\$2,925,819	\$4,875,783	\$6,902,574	\$9,008,488
----------------------	-----------	-------------	-------------	-------------	-------------

Authority is being requested to continue with new recipients for the Home For Good housing allowance program utilizing available Social Service Relief Fund Phase 3 Homelessness Prevention – Rent Relief funding and provincial Year 3 (2021-22) Ontario Priorities Housing Initiative Operating Component – Rental Assistance funding until such time that additional Home for Good operating funding is provided by the Province of Ontario.

Recommendation #7 - That the Mayor pursue additional permanent stable operating funding from the federal and provincial governments to add new housing subsidies for low income households.

Staff recommend that the Mayor and City Council advocate for and pursue additional permanent operating funding from other levels of government to support continued growth and sustainability within our housing benefit program.

This recommendation is consistent with the recent Long-Range Financial Plan Report and associated Motions approved by Council that seek additional permanent funding from other levels of government to support low income households, including women and families. These programs must be easy to access and maintain while providing long term housing stability for recipients.

RURAL IMPLICATIONS

There are no rural implications.

CONSULTATION

The housing benefit recommendations outlined within this report are aligned with and support the goals and objectives of the 10-Year Housing and Homelessness Plan 2020-2030. Extensive consultation was undertaken to develop the 10-Year Plan to ensure it reflected community needs and priorities.

COMMENTS BY THE WARD COUNCILLOR(S)

N/A

ADVISORY COMMITTEE(S) COMMENTS

The Accessibility Advisory Committee is expected to receive a presentation on this matter at its April 6, 2021 meeting.

LEGAL IMPLICATIONS

There are no legal impediments to the implementation of the report recommendations.

RISK MANAGEMENT IMPLICATIONS

Risks have been identified and explained within the report. As part of a comprehensive risk mitigation strategy, staff will monitor housing benefit allocations and expenditures closely and take the necessary proactive steps to maximize the use of available funds.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications, associated with the recommendations of the report.

FINANCIAL IMPLICATIONS

Financial implications associated with the recommendations are identified in the report. All recommendations can be accommodated within existing budgets.

ACCESSIBILITY IMPACTS

According to Statistics Canada, 1 in 4 persons who have a disability lives on a low income. This report outlines a variety of housing benefit investments to achieve greater accessibility in housing, advancing the objectives of the *Accessibility for Ontarians with Disabilities Act, 2005*.

In particular, the *Social Housing Repair* funding is allocated to prescribed Housing Providers currently in receipt of annualized capital subsidy contributions as outlined in legislation and operating agreements, in a manner supported by data identified in the 2012 Capital Building Program (and subsequent capital planning and Asset Planner updates) and the current level of capital subsidy contributions received from the Service Manager. Funding is allocated based on need, ranked on five priorities: legislative and code requirements, structural and building envelope, critical building systems, energy efficiency and accessibility.

Furthermore, As outlined in the Ontario Priorities Housing Initiative Council Report dated June 26, 2019 (Council Report ACS2019-CSS-GEN-0008), the provincially

funded Ontario Priorities Housing Initiative (OPHI) offers funding within two components:

1. the Capital Component for new affordable rental housing development and Ontario Renovates accessibility retrofits, and
2. the Operating Component for household rental assistance.

For the first two (2) years of Phase 1 of the program, funding has primarily been used to support new affordable rental housing development and Ontario Renovates accessibility retrofits within the community.

For year 3 (2021 to 22) of the OPHI program over \$5.8 million is available to support new rental development, accessibility retrofits and housing rental assistance initiatives. Given the current funding commitments, and the number of affordable housing rental development projects currently underway it is anticipated up to \$1 million of Year 3 OPHI funding could be available to support household rental assistance.

The Programs included in this report will have a high impact on people with disabilities in Ottawa who receive support for their housing needs. Households including persons with disabilities and accessibility needs have access to all housing benefits.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with the recommendations of the report.

TERM OF COUNCIL PRIORITIES

As part of the 2019-2022 Term of Council Priorities, the City is committed to ensuring that Ottawa residents have access to safe, adequate and affordable housing. Under the Thriving Communities priority, the City will collaborate with stakeholders to increase the supply of affordable housing and homelessness solutions through the implementation of the 10-Year Housing and Homelessness plan. The recommendations outlined within this report will enhance the City's ability to sustain and grow the number of housing options targeted to low income households.

SUPPORTING DOCUMENTATION

N/A

DISPOSITION

Funding under the Housing and Homelessness Investment Plan Envelope #4- Housing Benefits will be used to advance the objectives of the Ten-Year Plan, by promoting housing stability and rental affordability for our residents.

The Director, Housing Services will update the municipal Housing and Homelessness Investment Plan portable housing allowance framework to be consistent with the provincial portable housing benefit framework.

The Director, Housing Services will reallocate funds from Envelope #6 – Social Housing Capital Repairs of the Housing and Homelessness Investment Plan towards Envelope #4 - Housing Benefits within the same program year based on housing allowance and rent supplement demand.

The Director, Housing Services will permanently reallocate \$300,000 of annual funding from Envelope #5 – Supports to Housing of the Housing and Homelessness Investment Plan towards Envelope #4 - Housing Benefits to support continued growth within the housing benefit envelope.

The Director, Housing Services will allocate up to \$1 million of Year 3 Ontario Priorities Housing Initiative – Rental Assistance funding to support short-term rent relief for homelessness prevention.

The Home for Good housing allowance program will continue to support and fund up to 25 additional individuals per year, utilizing funding from the Social Services Relief Funds Phase 3 – Rental Assistance program and the Ontario Priorities Housing Initiative Operating Component – Rental Assistance program until such time additional Home for Good program funding becomes available.