



Report To:	Manitoulin-Sudbury District Services Board
From:	Connie Morphet, Director of Finance & Administration Patrick Wittmann, Supervisor of Infrastructure and Asset Management
Date:	March 26, 2015
Re:	Investment in Affordable Housing Program (IAH) Extension - Issue Report

## **Report:**

### **Purpose**

To inform the Board of the Investment in Affordable Housing (IAH) Extension Program Delivery Fiscal Plan (PDFP) for years 2-6 (2015-2020). The province has provided the [2014 Investment in Affordable Housing Program Guidelines](#).

### **Background**

At the February Board meeting, the Board was both introduced to the IAH Extension program and approved the DSB policies surrounding the management of the two Components provided by the DSB: [Ontario Renovates](#) and [Homeownership](#). Further to this, the Ministry of Municipal Affairs and Housing (MMAH) requires that a plan be created and maintained quarterly to document the IAH Extension program delivery both planned and actual results.

### **IAH Extension**

In December 19, 2014 the IAH Extension [notional allocation](#) was provided to the Manitoulin-Sudbury DSB. The IAH Extension program is a 100% funded joint initiative between the provincial and federal governments for the creation and repair of affordable housing over six years.

## The 2014-2020 Manitoulin-Sudbury DSB IAH Extension Notional Allocation

Year 1 2014- 2015	Year 2 2015- 2016	Year 3 2016- 2017	Year 4 2017- 2018	Year 5 2018- 2019	Year 6 2019- 2020	Total
\$160,100	\$391,600	\$391,400	\$391,100	\$390,200	\$186,000	\$1,910,400

### Rental Housing Capital Construction

As you will note the plan above does not include any allocation for the Rental Housing Capital construction component of the IAH Extension program.

The DSB has previously received and endorsed in principle 3 proposals from community groups looking to expand housing for seniors. The proposals were approved in principle as the Investment in Affordable Housing allocations did not allow for the Board to consider even one project.

The [Town of Espanola Non-Profit Housing Corporation](#) proposal included the construction of 25 Affordable Senior/Supportive Housing units in the Town of Espanola. This proposal requested an investment of \$3,000,000 or \$120,000 per unit from the previous IAH program.

The [French River Health & Housing Co-operative](#) submitted a revised proposal to the DSB for the construction of 34 Affordable Senior/Supportive 3 Housing units in the Town of Noëlville. This proposal requested an investment of \$3,960,000 or \$116,625 per unit from the previous IAH program.

The Transitional Living Chapleau Committee submitted a proposal to the DSB for the construction of [Mason Boreal Home Inc.](#), a 32 unit complex in the Town of Chapleau that included 20 affordable Senior/Supportive units. This proposal requested an investment of \$2,452,010 or \$122,600 per unit from the previous IAH program.

The DSB is also aware that there are several other communities working on plans for the construction of Affordable Housing in their communities.

The previous funding requests under the IAH program for the construction of new affordable housing in the Manitoulin-Sudbury jurisdiction total \$9,412,010. These requests were considered under the IAH Extension but the Manitoulin-Sudbury DSB Investment in Affordable Housing Extension allocation of \$1,910,400 falls drastically below the requirements in our communities and the Board will need to continue to lobby the provincial and federal governments for additional funding.

### Ontario Renovates

Based on the above, the best use of these funds for all communities within the DSB jurisdiction is through the Ontario Renovates and Homeownership components.

More details of the Ontario Renovates program are contained within the [DSB Ontario Renovates Policy](#) that was approved by the Board at the February 2015 meeting. There are currently 108 households representing approximately \$1,890,000 in repairs on the waiting list for required home repairs that will allow these residents to remain in their homes. Therefore the allocating of \$1,449,885 of the \$1,910,400 IAH Extension funding to the Ontario Renovates program over the next 5 years will definitely assist in dealing with this waiting list.

### Homeownership

The DSB will endeavor to assist low-to-moderate income renter households to purchase affordable homes through down payment assistance. One of the priorities in the [Manitoulin-Sudbury DSB 10 year Housing and Homelessness Plan](#) is to ease the demand for rental housing by assisting renter households to purchase affordable homes and encourage developers to build affordable housing by fostering demand (Page 67 of the Plan). The Cochrane District Social Services Administration Board (CDSSAB) has successfully administered this component with greater than 20% of successful applicants coming from the social housing units. Due to the success in other jurisdictions, the Manitoulin-Sudbury DSB will participate in the Homeownership component to relieve pressures on the rental market in key areas.

### Housing Allowance

Since 2007, the DSB has assisted over 620 households by delivering the [Direct Shelter Subsidy Program](#). The Direct Shelter Subsidy program is available to Ontario Works recipients that are eligible for Social Housing. This program is directed to active Ontario Works clients who are on the DSB Social Housing waiting list.

Currently the DSB allocates \$71,000 annually to the Direct Shelter Subsidy program. The Housing Allowance component of the IAH Extension will allow the DSB to increase its funding to the Direct Shelter Subsidy program. The IAH program allocated \$50,000 over a 5 year period (2013-2017) to increase the funding to the Direct Shelter Subsidy Program. The IAH Extension will extend this for 2 additional years through March 31<sup>st</sup> of 2020.

### Program Delivery and Fiscal Plan (PDFP)

A requirement of the IAH Extension program is that a plan be submitted to the Ministry that outlines how the DSB will allocate the funding. The DSB can allocate funding to any of the 3 capital components and/or 3 operating components listed below.

Program Components	
Capital	Operating
Rental Housing	Rent Supplement
Homeownership	Housing Allowance – Direct Delivery
Ontario Renovates	Housing Allowance – Shared Delivery

After reviewing the program components and past practices the DSB is proposing the following:

<b>PLANNED FINANCIAL COMMITMENTS BY YEAR</b>								
<b>Program Component</b>	<b>Planned Financial Commitment - \$s</b>						<b>TOTAL</b>	
	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>	<b>YEAR 6</b>		
	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>		
	160,100	391,600	391,400	391,100	390,200	186,000	1,910,400	
<b>Capital Components</b>								
Rental Housing							0	
Homeownership		75,000	75,000	75,000	75,000	45,000	345,000	
Ontario Renovates	152,100	297,020	296,830	296,545	285,690	121,700	1,449,885	
<b>Operating Component</b>								
<b>Streams</b>								
Rent Supplement							0	
Housing Allowance - Direct Delivery					10,000	10,000	20,000	
Housing Allowance - Shared Delivery							0	
<b>SM Administration Fees</b>	<b>% of Allocation</b>							
SM Administration Fees	5%	8,000	19,580	19,570	19,555	19,510	9,300	95,515
<b>TOTAL</b>		<b>160,100</b>	<b>391,600</b>	<b>391,400</b>	<b>391,100</b>	<b>390,200</b>	<b>186,000</b>	<b>1,910,400</b>
<b>VARIANCE</b>		<b>0</b>						

### Recommendation

The Manitoulin-Sudbury DSB Board approves the Investment in Affordable Housing Extension Program Delivery and Fiscal Plan which will be submitted to the Ministry of Municipal Affairs and Housing. The Board further agrees that the plan will be reviewed by DSB staff on a quarterly/annual basis and will be adjusted as required based on the need.