



2021 OPERATING BUDGET

December 10, 2020

What Does NRH Do?

- ▶ NRH operates & manages 2,850 Public Housing units
- ▶ Provides community programs within owned-units and provider units relating to tenant support and eviction prevention (eg. Tenant meetings, after school programs, social groups, summer camps, workshops)
- ▶ Work with over 40 partners for tenant supports
- ▶ Provide support and legislative direction to 60 Housing Providers
- ▶ Provide access to housing through the centralized wait list
- ▶ Administers rent supplement program through agreements with landlords
- ▶ Administers housing allowance, portable rent benefits and housing first to assist applicants with rent while waiting for RGI
- ▶ Administers Niagara Renovates program to assist homeowners & landlords with repair/modifications needed to the home
- ▶ Administers Welcome Home Niagara program which assists with down payment to low income renters to buy a new home
- ▶ Increase access to affordable rental housing through new development

NRH Programs & Services

Levy Funded – Core Programs

- ▶ NRH Owned-Units (Public Housing)
- ▶ Social Housing Provider Subsidies & Oversight
- ▶ Rent Supplement & Housing Allowance Programs
- ▶ Centralized Wait List Management
- ▶ Community Resource Unit

Ministry Funded Programs

- ▶ Strong Communities – Rent Supplement Program
- ▶ COHB – Program Administration
- ▶ SIF / OPHI / COCHI
 - ❑ Rent Supplement
 - ❑ Housing Allowance
 - ❑ Housing First
 - ❑ Homeownership Assistance
 - ❑ Niagara Renovates
 - ❑ New Development Funding (Capital)
 - ❑ Support Services

2021 Budget Strategy

Council Received Budget Strategy (CSD 41-2020; June 25, 2020)

- ▶ Budget increase not to exceed Core Consumer Price Index target of 2%, before addressing impacts of COVID-19, shared equally:
 - ▶ 1% to fund operating costs
 - ▶ 1% to fund capital renewal costs

Recommendation

That the Niagara Regional Housing Board of Directors **APPROVE** the Proposed 2021 Operating Budget increase of **\$566,901 or 2%** over the 2020 operating budget in accordance with the 2021 budget planning framework, with a net levy impact of **\$28,911,582** before indirect allocations and that this report **BE REFERRED** to the Budget Review Committee of the Whole meeting on December 10, 2020 for consideration, as part of the 2021 budget deliberations.

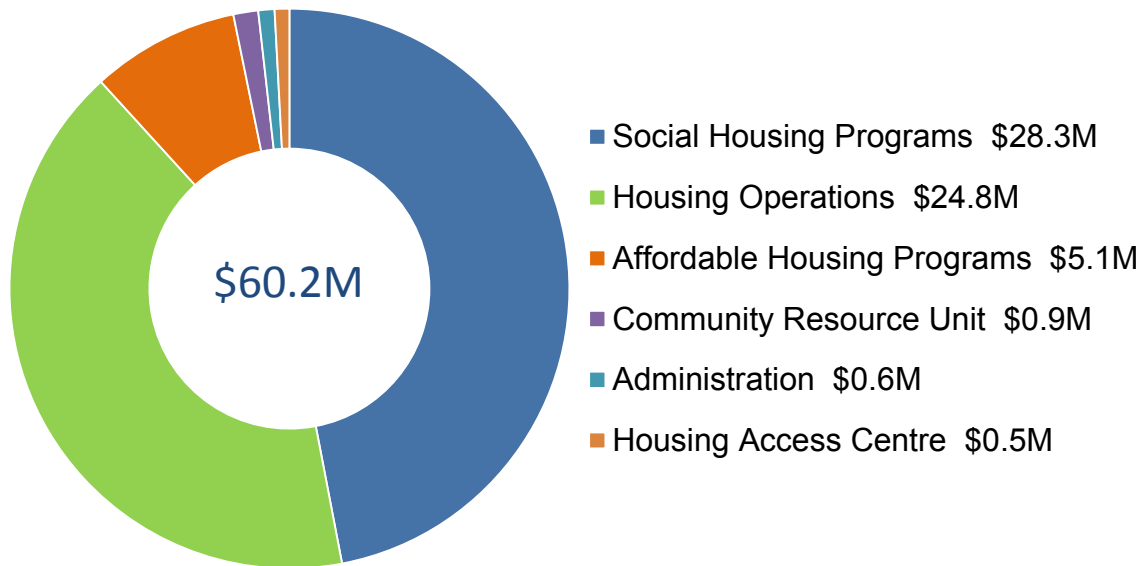
2021 Operating Budget (\$Millions)

	2020 Approved Budget	2021 Proposed Budget	\$ Change	% Change
Gross Expenditure	\$ 58.13	\$ 60.23	\$ 2.10	3.6%
Gross Revenue	\$ (29.78)	\$ (31.31)	\$ (1.53)	5.1%
Net Expenditure (Revenue) before Indirect Allocations	\$ 28.35	\$ 28.91	\$ 0.57	2.0%
Staff Compliment	2020 Approved FTE	2021 Proposed FTE	# Change	% Change
Full-Time Permanent Employees	51	51	0	0.0%
Full-Time Temporary Employees (Ministry-funded / pilot programs)	9	9	0	0.0%
Total FTE Count	60	60	0	0.0%

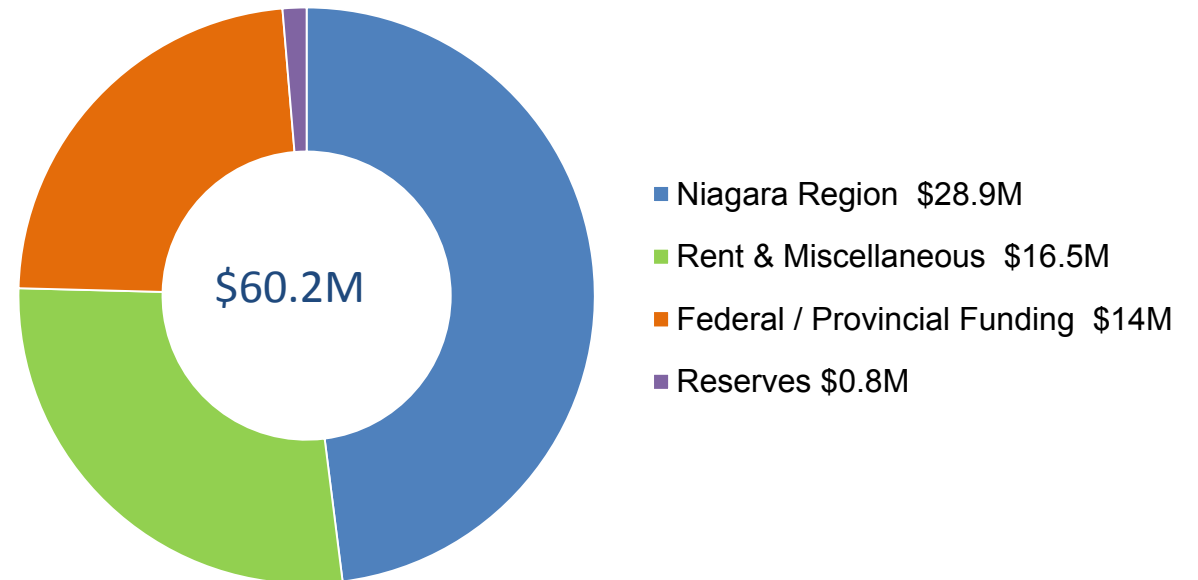
- ▶ Net expenditure increase of **\$566 thousand (+2.0%)** before indirect allocations
- ▶ Gross expenditure increase of **\$2.1 million**; offset by an increase in gross revenues of **\$1.53 million**
- ▶ Staff compliment remains neutral for 2021

2021 Operating Budget (\$Millions) - Continued

Where the Money Goes (Gross Expenditures)



Where the Money Comes From



2021 Budget Main Drivers

Housing Programs

- ▶ Provider subsidies – ongoing oversight of housing providers to ensure budgets are managed (\$1.4 million)
 - ▶ Align with surplus trend (\$1.1 million)
 - ▶ Provider acquisition (\$500 thousand)
 - ▶ Provincial Rent Freeze COVID Impact (\$192 thousand)

NRH Owned-Units (Housing Operations)

- ▶ Reserve transfer to support capital asset management program (\$1.3 million)
- ▶ Net operating costs associated with provider acquisition (\$500 thousand)

2021 Operating Budget Analysis

- ▶ Increase in Compensation of **\$69 thousand (1.3%)**
 - ❑ driven by corporate compensation guidance and benefit related costs
- ▶ Increase in Occupancy and Infrastructure of **\$844 thousand (5.3%)**
 - ❑ **\$147 thousand** driven by an increase in repairs and maintenance costs
 - ❑ **\$160 thousand** related to an increase in property taxes
 - ❑ **\$231 thousand** decrease in utility costs
 - ❑ **\$390 thousand** occupancy and infrastructure increase from acquiring a housing provider
 - ❑ **\$363 thousand** enhanced cleaning and security patrols (COVID-19 impact funded by Municipal Safe Re-Start funding)

2021 Operating Budget Analysis - Continued

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- ▶ Decrease in Community Assistance of **\$442 thousand (1.4%)**
 - ❑ **\$384 thousand** increase in levy funded rent supplement regular to increase RGI subsidy to landlords
 - ❑ **\$1.4 million** decrease in Non Profit and Co-op Provider subsidy to align with surplus trend, decrease due to acquisition of housing provider, offset by the increase due to rent freeze
 - ❑ **\$117 thousand** decrease in Federal Provider Subsidies due to end of operating agreements (EOA)
 - ❑ **\$375 thousand** increase in housing provider capital grant, funded by reserve, in advance of the Loan & Grant program
 - ❑ **\$432 thousand** increase in housing allowance and landlord engagement

2021 Operating Budget Analysis - Continued

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- ▶ Increase in Financial Expenditures of **\$203 thousand (10.3%)**
 - ❑ **\$157 thousand** decrease in provincial debenture payments due to a reduction of debt owed to the province as 3 LHC agreements have expired
 - ❑ **\$365 thousand** increase in debt service costs due to assuming the mortgage of a housing provider on acquisition of the property
- ▶ Increase in transfer to Reserves of **\$1.3 million (42.7%)**
 - ❑ **\$1.3 million** increased transfer to NRH Owned-Units reserve to support capital improvements required on owned-units - \$259 thousand restricted for 527 Carlton, Fitch Street East and Jubilee Drive - \$125 thousand for acquired housing provider (total transfer of \$2.9 million)
 - ❑ Maintained transfer to NRH reserve from Housing Programs to support programs for housing providers (total transfer of \$1.5 million); primarily to fund the NRH Capital Loan & Grant program for providers
 - ❑ Increase to reserve supported by Niagara's 10-year Housing and Homelessness Action Plan report COM 40-2019

2021 Operating Budget Analysis - Continued

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- ▶ Increase in Federal & Provincial Grants of **\$289 thousand (2.1%)**
 - ❑ Driven by increase in Ministry funded programs, offset with Service Manager federal funding schedule due to EOA
- ▶ Increase in Other Revenue of **\$452 thousand (2.8%)**
 - ❑ **\$613 thousand** increase in rental revenue based on 2020 actuals, \$385 thousand of the increase is related to full year revenues anticipated for the operations of an acquired housing provider
 - ❑ **\$100 thousand** decrease from revolving loan to fund homeownership and renovate programs
- ❑ Increase in Transfers from Reserve of **\$789 thousand**
 - ❑ **\$375 thousand** transfer from NRH reserve to fund housing provider capital grant
 - ❑ **\$412 thousand** transfer from the Niagara Region Taxpayer Relief reserve to facilitate the Municipal Safe Re-Start funding for COVID-19 Impacts

2021 Operating Budget Analysis – COVID-19 Impacts

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- ▶ COVID-19 Impacts on 2021 Operating budget total **\$605 thousand**
 - ▶ **\$223 thousand** increased cleaning at owned units*
 - ▶ **\$140 thousand** increased security at owned units*
 - ▶ **\$50 thousand** personal protective equipment for both tenants and staff*
 - ▶ **\$192 thousand** increased provider subsidies provincial rent freeze COVID impact**

* \$413 thousand funded with Municipal Safe Re-Start funding

** \$192 thousand accommodated within overall 2% increase as the impact requires sustainable funding

Budget Summary

Council Strategic Priority 2: Healthy and Vibrant Community

Objective 2.3: Addressing Affordable Housing Needs

- ▶ Retain, protect and increase the **supply of affordable housing stock** to provide a broad range of housing to meet the needs of the community
- ▶ **Supporting clients through the stages of the housing continuum**, towards more stable and permanent housing

Housing & Homelessness Action Plan:

- Goal 1: House People Who Do Not Have a Home
- Goal 2: Help People to Retain a Home
- Goal 3: Increase Housing Options and Opportunities for Low and Medium Income Households
- Goal 4: Build Capacity and Improve the Effectiveness and Efficiency of the Housing and Homelessness System

Budget Summary - Continued

- ▶ Partnerships with Niagara Region
 - ▶ Alternative Service Delivery Review
 - ▶ Affordable Housing Steering committee
 - ▶ New Bridge Housing Project
 - ▶ RFP for development
- ▶ Redevelopment of current stock
 - ▶ Hawkins Street redevelopment
 - ▶ POA Land Feasibility
- ▶ Project Management for Providers and Agencies
- ▶ Acquisition of a Housing Provider
- ▶ Repairs & Maintenance of NRH owned-units

**Housing & Homelessness
Action Plan: support
increasing and maintaining
available housing stock in
Niagara**

Budget Summary - Continued

Hawkins Street Intensification – Niagara Falls



Master Plan – Key highlights

- ▶ The Affordable Housing Master Plan will be developed to improve access to adequate, suitable and affordable housing to the Niagara households that are in core need
- ▶ Goals of the Master Plan include:
 - ▶ Increasing Housing Supply
 - ▶ Achieve Sustainability
 - ▶ Maximize value
 - ▶ Optimize Equity Utilization
 - ▶ Create Healthy Vibrant Communities
 - ▶ Solve Asset Problems
 - ▶ Solve Program Problems
- ▶ The findings of the Master Plan will inform a multi-year strategy starting with the 2022 budget

Thank You!

Questions?