
Subject: Document Execution Authority for Housing Programs

Report to: Public Health and Social Services Committee

Report date: Tuesday, June 15, 2021

Recommendations

1. That Council **AUTHORIZE** either one of the Manager of Housing Programs or the Director of Housing Services/Chief Executive Officer Niagara Regional Housing to execute all documentation related to the Niagara Renovates Program and the Welcome Home Niagara Program including but not restricted to loan agreements, related security documentation inclusive of charges on real property, postponements and discharge of charges;
2. That Council **AUTHORIZE** either one of the Manager of Housing Programs or the Director of Housing Services/Chief Executive Officer Niagara Regional Housing to execute all documentation related to the Rent Supplement suite of programs including Housing Allowance, all Rent Supplement Programs, and landlord agreements;
3. That Council **AUTHORIZE** either one of the Commissioner of Community Services or the Director of Housing Services/Chief Executive Officer Niagara Regional Housing to execute all documentation related to the Canada Ontario Community Housing Initiative (COCHI) funding stream, specifically charges and agreements for Housing Provider Capital Repair;
4. That Council **AUTHORIZE** either one of the Commissioner of Community Services or the Director of Housing Services/Chief Executive Officer Niagara Regional Housing to execute all documentation related to the New Development Housing Allowance Program; and
5. That Council **DIRECTS** staff to consider incorporation of the authority granted herein within the Schedule "A" (delegated authorities) of the next revision of the By-law 09-2016 being a By-law to Govern Execution of Documents and Delegate Certain Administrative Powers and Duties to Staff.

Key Facts

- The purpose of this report is to identify and authorize appropriate level signing authorities for the Welcome Home Niagara and Niagara Renovates Programs which effective May 30, 2021 have transitioned from programs managed by Niagara Regional Housing (“NRH”) to programs managed by Niagara Region.
- Niagara Renovates is a loan program designed to assist low and modest income households in Niagara to fund repairs needed to bring their existing houses up to a minimum level of health and safety and/or to create permanent modifications to increase accessibility for occupants with a disability.
- Welcome Home Niagara is a loan program supported by federal and provincial funding with an objective of encouraging home ownership by offering down payment assistance to qualified applicants.
- The Rent Supplement suite of programs includes a variety of programs funded federally, provincially and municipally. Each of these funding streams is dedicated to providing subsidies that lower the overall rental payment made by the tenant in order to make market rental rates affordable to those living with low income. These subsidies are offered for various programs to applicants on the NRH waitlist.
- The Canada Ontario Housing Initiative (COCHI) Housing Provider Capital Repair funding is a funding stream that is a blend of Provincial and Federal dollars and supports housing provider capital repairs.
- The New Development Housing Allowance Program was developed to support non-profit and co-op housing providers to offer housing units at a reduced rate to applicants on the Housing Services Centralized waitlist who accept a new development unit. As new units are being developed, housing providers are seeking subsidies to offer tenants. In order to fund these units, long term levy commitment is required. These subsidies are essential to supporting the growth of local housing providers and ultimately expanding the core number of affordable units in Niagara.
- These programs are both high volume in terms of number of files, and time sensitive and when operated by NRH were managed by the Manager Housing Programs. Related loan documents were executed by either the Manager Housing Programs or the Chief Executive Officer of NRH.
- Niagara Region’s existing By-law 09-2016 being a By-law to Govern Execution of Documents and Delegate Certain Administrative Powers and Duties to Staff (“Execution By-law”) does not yet have an equivalent delegated authority to allow the operation of the programs in a similar manner under the auspices of Niagara Region.

Financial Considerations

The programs affected by the delegation of authority proposed by this report are fully funded and previously formed part of the annual budget presented by NRH to Council as part of the budget process. Funding for future years will form part of the budget presentation for Community Services and continued support from upper level governments is anticipated. As such the recommendations within this report should have a neutral effect on the financial position of Niagara Region.

Analysis

Niagara Region and NRH have entered into agreements authorized respectively by Council for Niagara Region and the Board of Directors of NRH to move employees of NRH to Niagara Region and shift management of various programs previously undertaken by NRH as administrator on behalf of Niagara Region as the designated service manager under the *Housing Services Act* to Niagara Region. Effective May 30, 2021 the transition will be complete and these programs, formerly managed by NRH will be managed by the same staff persons but under the auspices and direction of the Commissioner of Community Services.

The Niagara Renovates Program provides loans to fund repairs needed to bring their existing houses up to a minimum level of health and safety and/or to create permanent modifications to increase accessibility for occupants with a disability. As of the transition date NRH records indicate a total of five hundred and twenty six (526) such loans issued and outstanding with a range of values from \$714.00 to \$191,935. All but seven of the loans were equal to or less than \$25,000.00 in value. The program primarily funds renovations to single family homes but there is a multi-unit element to the program that in different years has resulted in a few larger loans. The loan agreements for this program contemplate advancing funds as receipts for the completion of the approved work is completed and that the loan will be fully forgiven in increments over a ten year period. The loans are typically secured by a mortgage/charge on the property. Periodically the homeowners sell the properties prior to full forgiveness and repayment of the outstanding amount is required. In addition, when a home owner moves to a new first mortgage lender and a new mortgage is required postponements are requested.

The Welcome Home Niagara provides a down-payment loan on the purchase of a home to qualified applicants and with limited exceptions all borrowers must reside in the premises as their principal residence. The loans are secured by a mortgage/charge on the land. As of the transition date NRH records indicate a total of four hundred and

eighty-five (485) such loans outstanding with values ranging from \$1345.00 to \$50,000.00 with all but eight such loans having values equal to or less than \$25,000.00. The loans are forgivable if there is no event of default prior to the twentieth anniversary of the loan advance. Events of default include selling the home and/or ceasing to use it as the borrower's principal residence prior to the twentieth anniversary and as a result frequently the borrower is obligated to repay the loan prior to the forgiveness date. The loan agreements contemplate the lender sharing in the capital appreciation of the property in the event of a default. Recognizing the increasing value of homes generally, requests for payout are a regular occurrence, which requires execution of various documents.

Security documentation and registrations on title to the subject properties for both the Welcome Home Niagara and Niagara Renovates Program have and will continue to be created with the assistance and advice of Legal and Court Services staff.

Collectively, the Rent Supplement/Housing Allowance programs support over 1400 individuals and families to maintain affordable housing in Niagara. These programs are required to make monthly payments to landlords and tenants and delays could jeopardize tenancies across the municipality. The Rent Supplement/Housing Allowance suite of programs are funded by federal, provincial and municipal government. Each of these funding streams is dedicated to providing subsidies that lower the overall rental payment made by the tenant in order to make market rental rates affordable to those living with low income. These subsidies are offered for various programs to applicants on the NRH waitlist and the numbers of these transactions on a monthly basis is significant.

The programs noted above have been managed within NRH by the Manager of Housing Programs who will under the new structure continue to do so as a Niagara Region employee. NRH authorized either the Manager of Housing Programs or the Director Housing Services/Chief Executive Officer of NRH to sign all necessary documentation related to the loans including loan agreements, related security documentation inclusive of charges on real property and discharge of charges for both programs. Niagara Region's Execution By-law does not yet have an equivalent delegated authority to allow the operation of the programs in a similar manner under the auspices of Niagara Region.

The New Development Housing Allowance Program was developed to support non-profit and co-op housing providers to offer housing units at a reduced rate to applicants on the Housing Services Centralized waitlist who accept a new development unit. As

new units are being developed, housing providers are seeking subsidies to offer tenants. In order to fund these units, long term levy commitment is required. These subsidies are essential to supporting the growth of local housing providers and ultimately expanding the core number of affordable units in Niagara. Recognizing the long term nature of these commitments staff recommend more senior signing officers in the form of Commissioner of Community Services or the Director of Housing Services/Chief Executive Officer Niagara Regional Housing rather than the Manager of Housing Programs as the appropriate signing officers.

The COCHI funding stream provides capital repair subsidy for existing non-profit and cooperative housing providers for the projects that helps to address health and safety, accessibility and structural integrity. These funds are limited therefore the funds are allocated based on urgency. Recognizing the variable dollar value and the basis upon which they are issued, staff recommend more senior signing officers in the form of Commissioner of Community Services or the Director of Housing Services/Chief Executive Officer Niagara Regional Housing rather than the Manager of Housing Programs as the appropriate signing officers.

The Director of Legal and Court Services will be presenting recommended revisions to the Execution By-law at some future date. The Execution By-law covers execution authority for staff in all departments within Niagara Region and as result requires broad consultation before revisions are recommended. Staff recommend when completing a review of the Execution By-law that staff to consider incorporation of the authority granted herein within the Schedule "A" (delegated authorities) of the revised Execution By-law.

Alternatives Reviewed

The alternative available would be to rely on the existing provisions of the Execution By-law and seek the signatures of any two of the Chair, Clerk, Chief Administrative Officer and/or Commissioner of Corporate Services on every document required for the programs which would not be desirable from the perspective of the time expenditure by those officers and due to the time sensitivity of completing the transactions.

Relationship to Council Strategic Priorities

The programs involved support a Healthy and Vibrant Community by improving the condition of existing housing occupied by low or modest income households and encouraging home purchases by persons who might not otherwise be able to do so

thereby assisting to alleviate the existing shortage of affordable housing among segments of Niagara region's population

Other Pertinent Reports

- Confidential CL-C 112-2020

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