

Subject: Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) - 2023-24 Budget Adjustment

Report to: Public Health and Social Services Committee

Report date: Tuesday, September 12, 2023

Recommendations

1. That this report related to the Ministry-mandated Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) funding allocation for the 2023-2024 fiscal year **BE RECEIVED FOR INFORMATION**; and
2. That an operating adjustment to the previously adopted 2023 Niagara Region Housing Services operating budget in the amount of \$1,859,947 gross and 0\$ net, to be fully funded through the Ministry of Municipal Affairs and Housing (MMAH) Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) funding, **BE APPROVED**.

Key Facts

- The purpose of this report is to share information related to the updated funding allocation that has just been announced for Year 5 of the COCHI-OPHI program, which runs from April 1, 2023 to March 31, 2024, and to obtain approval of the budget adjustment related to an in-year receipt of funding which must comply with Budget Control by-law 2017-63, items 6.6(a) and 6.6(b), requiring Council's approval for any amounts received in excess of \$1 million for operating programs.
- On August 17, 2023, the Ministry of Municipal Affairs and Housing (MMAH) provided notification of the confirmed final funding allocation for Year 5 of the COCHI-OPHI program. Niagara is expected to receive the adjusted total amount of \$6,973,500 for the one-year term April 1, 2023, through March 31, 2024, while the previous year's funding allocation for this period was \$4,498,838. The 2023 base budget for COCHI-OPHI was prepared and approved based on the previous fiscal year's funding allocation.
- MMAH requires service managers to submit an investment plan for the fiscal 2023-24 funding allocation update, outlining the planned spending for rent subsidies, support services, capital repair, new development, homeownership and Ontario Renovates.
- The operating budget adjustment is for the portion of the funding from April 1, 2023, to December 31, 2023, totals \$1,859,947. This adjustment includes a \$1,200,000 transfer to Niagara Regional Housing for the Crescent Road Transitional Housing

project in Fort Erie as approved in COM 6-2023 based on the initial planning allocation received in February 2023.

- The funding announcement from MMAH included the planned funding allocation for the 2024-25 fiscal year, at an amount of \$8,404,700.

Financial Considerations

On August 17, 2023, the MMAH provided notification of the confirmed COCHI and OPHI funding allocations for the 2023-24 fiscal year. Niagara is expected to receive the total amount of \$6,973,500 for the one-year term April 1, 2023, through March 31, 2024, while the previous year's funding allocation was \$4,498,838. This funding will be used to maintain and grow housing stock in Niagara in order to continue to provide members of the community with safe and affordable housing, providing for an array of housing options that address affordable housing needs across the housing continuum.

The announcement provides incremental funding of \$2,474,662 for the fiscal year April 1, 2023, to March 31, 2024. Of this amount, \$1,274,662 will be used for operating-related costs and the remaining \$1,200,000 will be invested into new development through a transfer to Niagara Regional Housing for the Crescent Road Transitional Housing build in Fort Erie as approved in COM 6-2023 based on the initial planning allocation received in February 2023. Funding for the nine months within 2023 (April – December) will be \$1,859,947, which is the required gross operating budget adjustment.

The following is a summary of the activity allocations related to the budget adjustment:

Funding Description	Amount
Rent Supplements and Housing Allowances	\$572,250
Housing Support Services	\$22,500
Repair and Ontario Renovates	\$65,197
New Development	\$1,200,000
Total Budget Adjustment	\$1,859,947

It also should be noted that on March 31, 2023, the Social Infrastructure Fund (SIF) and Investment in Affordable Housing Extension (IAH-E) funding programs, which funded rent

supplements and housing allowances to support households in maintaining affordable housing while they wait for full Rent-Geared-to-Income (RGI), came to an end. The 2023 budget included a shift in funding these households from SIF and IAH-E to OPHI, as the units have been taken up under the OPHI program in order to maintain the agreements.

Analysis

Program Components	Confirmed Funding Amount – 2023-24 Fiscal Year	Planned Funding Amount – 2024-25 Fiscal Year
Rent Subsidies	\$1,767,000	\$1,776,860
Housing Support Services	230,000	230,000
Ontario Renovates	601,155	500,000
Housing Provider Repairs - COCHI	2,826,670	3,977,605
New Development - COCHI	1,200,000	1,500,000
Administrative Costs	348,675	420,235
Total Funding Allocation	\$6,973,500	\$8,404,700

The above chart shows the allocation, by activity of the confirmed funding amount for the 2023-24 fiscal year and the planned allocation of funding for the 2024-25 fiscal year.

The total budget adjustment for 2023 is for the portion of the 2023-24 funding increase required for the period April 2023 to December 2023. The balance will be included in the 2024 operating budget.

The increase of \$572,250 for Rent Supplements and Housing Allowances are directed to maintain existing service levels. It is imperative to preserve the existing agreements to ensure housing remains stable for those households who were receiving funds under the expired programs.

The increase of \$22,500 for Housing Support Services are directed to expand community programming with housing providers that will improve the services of the Community Program Coordinators that are responsible for eviction prevention and community

programs. These funds will help preserve provider and landlord relations and create solutions for hard to serve tenants.

The increase of \$65,197 for the Niagara Renovates program will support additional homeowners to address housing safety and increase the accessibility of their homes, prolonging the time that they are able to stay safely in their own home.

The \$1.2 million for New Development will be invested in the Crescent Road Transitional Housing build in Fort Erie, as approved and committed in COM 6-2023 based on the initial planned allocation received in February of 2023.

Alternatives Reviewed

The COCHI-OPHI investment plan must be developed and submitted to the province in order to receive this funding to support Niagara's affordable housing needs. Failure to do so would result in a required return of these funds to the province, and the critical loss of rent subsidy funding to tenants currently served by Niagara Region, funds necessary to support housing programs and capital projects in our community.

Relationship to Council Strategic Priorities

The proposed 2023-24 COCHI-OPHI investment plan is aligned to the Council Priorities of "Equitable Region" and "Effective Region," in that it ensures continued and improved access to affordable housing to meet the needs of the community. Through approval of this investment plan, Niagara Region is able to receive this provincial funding to support residents in attaining affordable housing.

Other Pertinent Reports

COM 6-2023 – Confidential – Niagara Regional Housing – Transitional Housing Project

Prepared by:

Cameron Banach
Director, Housing Services

Recommended by:

Adrienne Jugley, MSW, RSW, CHE
Commissioner
Community Services

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in consultation with Sara Mota, Program Financial Specialist, Donovan D'Amboise, Associate Director Reporting and Analysis (Acting), Donna Woiceshyn, Housing Services Special Project Consultant.

Appendices

None.