



**City of Kingston  
Report to Council  
Report Number 19-212**

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**To:** Mayor and Members of Council  
**From:** Peter Huigenbos, Acting Commissioner, Community Services  
**Resource Staff:** Sheldon Laidman, Director, Housing & Social Services  
**Date of Meeting:** September 3, 2019  
**Subject:** The Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI)

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**Executive Summary:**

In April 2019, the City, as Service Manager for housing programs in the City of Kingston and County of Frontenac, received notification from the Ministry of Municipal Affairs and Housing regarding the establishment of two new housing programs and associated local three-year funding allocations.

The Canada-Ontario Community Housing Initiative (COCHI) provides funding to maintain and over time expand the supply of community housing assets across the province.

The Ontario Priorities Housing Initiative (OPHI) represents an extension of the Investment in Affordable Housing Program (IAH) which is currently in its final year. OPHI is intended to assist Service Managers implementing local housing and homelessness plans through the delivery of a variety of eligible capital and operating components.

The new funding relates to the Bilateral Agreement signed between the provincial and federal governments under the National Housing Strategy. This report outlines the three year investment plan for a total program funding allocation of \$4.29 million.

No additional municipally generated funding is required to implement these programs. Service Managers are eligible to collect a five percent administration fee to support costs associated with delivering the programs.

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**Recommendation:**

**That** Council approve the proposed Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) funding allocations outlined in Report Number 19-212 and direct staff to submit the Investment Plan to the Province in accordance with the program guidelines.

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**Authorizing Signatures:**

ORIGINAL SIGNED BY COMMISSIONER

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**Peter Huigenbos, Acting Commissioner,  
Community Services**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

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**Lanie Hurdle, Acting Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	OK
Sheila Kidd, Commissioner, Transportation & Public Works	Not required
Deanne Roberge, Acting Commissioner, Corporate Enterprise Services	Not required

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**Options/Discussion:****Background**

In April 2019, the City, as Service Manager for housing programs in the City of Kingston and County of Frontenac, received notification from the Ministry of Municipal Affairs and Housing regarding the establishment of two new housing programs and associated local three-year funding allocations. The new funding relates to the Bilateral Agreement signed between the provincial and federal governments under the National Housing Strategy. The total three year Kingston-Frontenac funding allocation totals \$4.29 million.

The COCHI is intended to support the Community Housing Renewal Strategy which seeks to maintain and over time expand the supply of community housing assets across the province. The term “community housing” is a new term used at the federal and provincial levels to describe housing that is owned by non-profit housing corporations, housing co-operatives, or housing owned directly or indirectly by the provincial, territorial or municipal governments (housing formerly referred to as social housing or public housing). The program guidelines specify COCHI funding demonstrates a re-investment of federal funding that has been declining under the Canada-Ontario Social Housing Agreement. The funding is intended to assist Service Managers and community housing providers to maintain housing assets over the long-term.

The OPHI represents an extension of the IAH which ends in 2019-2020. OPHI is intended to assist Service Managers implementing local housing and homelessness plans. Service Managers can allocate available funding amongst the program components to best align with local needs and local housing and homelessness plan objectives. In addition to the existing IAH program components (i.e. new affordable housing construction, low-income rental assistance, low-income home repair and affordable homeownership), OPHI includes additional program streams such as a housing support services component and expansion of the home repair program component.

To participate in COCHI and OPHI, Service Managers are responsible for entering into a Transfer Payment Agreement with the Province, completing and updating Investment Plans confirming how allocations will be distributed amongst the available program components, managing funding distribution processes amongst local housing providers, entering into funding agreements with housing providers, advancing payments, monitoring projects to ensure completion, and ongoing monitoring to ensure the affordable housing commitments are maintained over the long-term.

It is the expectation of the Province that Service Managers will consult with community housing providers to determine ongoing requirements and identify projects that support long-term sustainability. The Province acknowledges the year one (2019-2020) timing does not allow for extensive consultation. In addition to the year one funding commitments outlined in this report, the Service Manager intends to work with community housing providers with regard given to directions established within the updated 10-Year Municipal Housing and Homelessness Plan to develop an investment plan that makes best use of funding and supports long-term retention and maintenance of the important community housing supply.

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The Service Manager has executed the required Transfer Payment Agreement with the Province. The Investment Plan outlined in this report is required to be approved by Council and submitted to the Province by September 15, 2019. The Investment Plan represents planned program commitments amongst the available program components. Individual projects need not be identified at this time; however, the Province requires confirmation of the intended local distribution of funding amongst the available programs to allow for budgeting and to demonstrate accountability to the federal level.

### **COCHI and OPHI Local Funding Allocations**

The following table outlines the three-year COCHI and OPHI allocations:

<b>Program</b>	<b>2019-2020 Confirmed Allocation</b>	<b>2020-2021 Planning Allocation</b>	<b>2021-2022 Planning Allocation</b>
<b>COCHI</b>	\$114,696	\$271,146	\$715,229
<b>OPHI</b>	\$1,375,600	\$712,700	\$1,109,500

The COCHI and OPHI program guidelines confirm funding allocations are provided on a “use it or lose it” basis. Funds not committed within the required timelines may be reallocated to other Service Managers and funding cannot be saved for a subsequent year.

Service Managers are permitted to use up to five percent of the annual COCHI and OPHI funding allocations to assist with the administrative costs of delivering the programs.

### **Canada-Ontario Community Housing Initiative (COCHI) Investment Plan**

Social housing was developed under various provincial and federal programs though most projects have reached a point in their lifespan where significant reinvestment is required to maintain the housing assets over the long-term. Service Managers are the primary funder of community housing and COCHI is intended to provide a flexible approach to support sustainability and self-sufficiency for housing providers so that units are not lost. Urban Native housing units are to be prioritized by Service Managers where providers are willing to continue operating community housing stock. In addition to repair and renovation projects, COCHI funding can be used for rent supplements to offset tenants’ rent and short-term transitional operating funding to address immediate areas of concern related to business practices and planning. Given the unfunded capital maintenance requirements identified within the local community housing portfolio, repair and renovation funding has been determined the most appropriate program component for the limited funding available.

After applying the five percent administration fee, the year one (2019-2020) COCHI allocation is \$108,961. In accordance with the program guidelines, staff are developing an investment plan which will prioritize the local Indigenous housing provider (Tipi Moza) and urgent repairs which have recently arisen. In program years two and three, the Service Manager will administer a proposal-based disbursement process utilizing available building condition assessments and

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long-term project viability which includes a commitment from the community housing provider to continue providing affordable housing in accordance with the program guidelines.

	<b>2019-2020 Confirmed Allocation</b>	<b>2020-2021 Planning Allocation</b>	<b>2021-2022 Planning Allocation</b>
<b>COCHI Funding</b>	\$114,696	\$271,146	\$715,229
<b>Administration Fee</b>	\$5,735	\$13,557	\$35,761
<b>Community Housing Repair</b>	\$108,961	\$257,589	\$679,468

### **Ontario Priorities Housing Initiative (OPHI) Investment Plan**

OPHI is modelled on past affordable housing initiatives which most recently included the IAH Program. In addition to the IAH affordable housing capital and operating components, OPHI adds a housing support services component and eligibility for social housing under the low-income home renovation stream. The following table outlines the recommended funding commitments amongst the eligible program components.

	<b>2019-2020 Confirmed Allocation</b>	<b>2020-2021 Planning Allocation</b>	<b>2021-2022 Planning Allocation</b>
<b>OPHI Funding</b>	\$1,375,600	\$712,700	\$1,109,500
<b>Administration Fee</b>	\$68,780	\$35,635	\$55,475
<b>Affordable Rental Housing Capital Funding</b>	\$1,306,820	\$477,065	\$592,025
<b>Kingston-Frontenac Renovates</b>	Existing provincial funding available	\$200,000	\$200,000
<b>Rental Assistance</b>	Existing IAH rent supplements		\$262,000

The Service Manager has previously delivered three of the four programs in addition to the Home Ownership Program which is accounted for over the same period of time within the municipal annual operating budget at approximately \$85,000 per year. In addition to the annual municipal allocation, the Home Ownership Program also receives annual revolving fund contributions when past program participants sell their home or choose to payout the agreement during the 20 year term of the loan. Due to already sufficient funding, the Home Ownership

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Program is not being recommended for funding from this allocation. Staff recognizes that the need for housing support services is significant in the social housing system; however, are not recommending allocating funding to the Housing Support Services component. This component is capped at 5% of the total allocation by the program guidelines and therefore does not represent a sufficient yearly amount to fund a full staff person and be a viable service on its own.

The major component recommended for funding is Affordable Rental Housing Capital. This potential funding was identified in the Council Strategic Priorities implementation plan to build 90 affordable housing units. In accordance with the program guidelines, the Service Manager will provide subsequent Council reports recommending specific projects to be funded under the affordable rental housing capital funding component.

The Kingston-Frontenac Renovates Program (KFRP) provides financial assistance to low-to-moderate income homeowners to repair and rehabilitate their homes while improving energy efficiency and to increase accessibility through modifications and adaptations to support independent living. The KFRP provides funding to approximately 35 households each year in the City and the County and has operated since 2012 through IAH dollars. As OPHI is the successor to IAH, it is appropriate to continue to fund this program through OPHI.

Year three funding is recommended to be used to continue the Rental Assistance program currently funded through the IAH. This program currently provides rent assistance to 65 households. If not continued to be funded through this provincial program it would need to be instead covered by adding it to the municipal operating budget or end the assistance to these households.

**Existing Policy/By-Law:**

10-Year Municipal Housing and Homelessness Plan for the City of Kingston and County of Frontenac

A By-Law to Permit Council to Enter into Agreement for the Provision of Affordable Housing (By-Law Number 2003-61)

**Notice Provisions:**

Not applicable

**Accessibility Considerations:**

Not applicable

**Financial Considerations:**

The recommendations of this report relate to shared provincial/federal funding delivered at the local level by the Service Manager. Administration fees are collected by the Service Manager to

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support program administration costs which primarily include staff time. No new municipally generated funding is required to implement the directions outlined in this report.

**Contacts:**

Sheldon Laidman, Director, Housing & Social Services 613-546-4291 extension 4957

**Other City of Kingston Staff Consulted:**

Lana Foulds, Director, Financial Services

Ruth Noordegraaf, Manager, Housing and Childcare Programs, Housing & Social Services

Melanie Bale, Financial Analyst, Housing & Social Services

John Henderson, Housing Programs Administrator, Housing & Social Services

**Exhibits Attached:**

Not applicable