

THE REGIONAL MUNICIPALITY OF YORK

**REPORT NO. 2
OF THE REGIONAL
CHIEF ADMINISTRATIVE OFFICER**

**For Consideration by
The Council of The Regional Municipality of York
on January 18, 2001**

**1
SOCIAL HOUSING TRANSFER - UPDATE**

1. RECOMMENDATIONS

It is recommended that:

1. This report be received for information.

2. PURPOSE

This purpose of this report is two-fold:

1. To provide an update on the transfer of Social Housing from the Province to the Region of York;
2. To provide confirmation of activities undertaken to support the transfer, consistent with the resolution passed by Council on October 26, 2000 to authorize the CAO and staff to take the actions necessary to effect the transition.

3. BACKGROUND

The *Social Housing Reform Act, 2000* was proclaimed effective December 13, 2000 providing the legislative authority necessary for the province to transfer social housing to Consolidated Municipal Service Managers (CMSMs).

The transfer of public housing is the first phase of the transfer of social housing responsibility. In this phase, ownership of public housing has been transferred to the Regional Municipality of York. This comes to the Region in the form of a new corporation (York Regional Housing Corporation) bringing with it the properties listed in Attachment II.

As well, administrative responsibility for rent supplement programs with private landlords has also been transferred to the Region.

The second phase of the transfer will be the responsibility for administration of non-profit and co-operative housing programs anticipated in late 2001. Details of this transfer are still being developed by the province, as are the regulations necessary to support the development of plans to effect the transfer. The Region is required to develop a plan for transfer by May 2001 for approval of Regional Council and the Ministry of Municipal Affairs and Housing. The full transfer must be completed within 12 months of approval of this plan.

4. ANALYSIS AND OPTIONS

The Region's strategy in preparing for the transfer has been to plan for the integration of the York Regional Housing Authority and the Region of York Housing Corporation into the Community Services and Housing Department.

4.1 Governance

The initial meeting of the new York Region Housing Corporation, which replaced the York Regional Housing Authority, was held on December 19, 2000. At that time the necessary resolutions were passed to allow the new corporation to be operational January 1, 2001 as was required by the province. Mayor Tom Taylor was elected chair of the new corporation and a resolution was passed to transfer all of the staff to the employ of the Region of York effective January 1, 2001.

In keeping with the strategy of integrating the housing corporations (York Regional Housing Corporation and Region of York Housing Corporation) into the Regional Corporation, a review is currently being undertaken in conjunction with the Corporate and Legal Services Department to determine the steps necessary to bring the governance structures into alignment at the earliest possible date. Both housing corporations will be required to continue for an interim period while an evaluation of the impacts of dissolving or merging the corporations is conducted.

4.2 Organizational Review – New Management Structure

In preparation for the social housing transfer, a consultant was retained to conduct an organizational review in order to develop a structure to meet new operational requirements for both the management of Regionally owned social housing and the administration of social housing programs. A new fully integrated management model has been developed which moves the organization toward new ways of working and promotes cross-functional co-ordination and resource sharing.

All existing staff of both the York Regional Housing Authority and the Region of York Housing Corporation have been placed within the new structure as Regional employees, although many are in new or modified roles. One senior management position has been eliminated and there is a reduction from 22 to 15 of the number of staff involved in direct

property management. Four staff have been re-deployed to positions where they will be providing services both to our own property management functions and to other housing providers, including technical areas, community support and program operations functions.

The new position of Director, Land and Property Strategies has been created in the Finance Department to support the Housing and Residential Services Division in managing the property issues associated with the transfer and to develop a strategic approach to property and land management across the Regional Corporation.

Attachment I outlines the organization structure.

4.3 Building Condition

The building condition survey of the 17 public housing properties has been completed and is currently being analyzed by staff. The report does indicate that the buildings have been well cared for and are in good condition for their age, which averages 27 years. Further study of the results will assist the Region in understanding and planning for the long-term costs of owning the buildings. It should be noted that these buildings do not carry replacement reserves, as in other housing programs and in condominiums, major repairs have been paid for as required. (Costs over the past several years have averaged \$1.8 million per year – a similar amount is in the budget estimates for 2001.)

4.4 Transition Funding – Employee Liabilities

The province has confirmed that they will be providing funding in the amount of \$273,557 to assist the Region in discharging the liability for the costs of the York Regional Housing Authority employees statutory entitlements. These include attendance credits, vacation credits and severance entitlements.

4.5 PHASE TWO: TRANSFER OF ADMINISTRATION FOR NON-PROFIT AND CO-OP PROGRAMS

As reported in October 2000, the province has been focusing on the public housing transfer and as such has not yet completed work on the program details that will form the core of the regulations required to complete the program transfer. Details are gradually becoming available and staff are beginning work on the plan for transfer.

4.6 Housing Provider Relationship Building

Several activities have been undertaken recently to further develop the Region's working relationship with housing providers. These include an information session for Board Members and staff about the social housing legislation that was held December 7, 2000. As well, staff have begun meeting regularly with a representative group of housing providers in a Transition Reference Group to discuss issues related to the transfer and develop program strategies.

As part of the Transition Reference Group process a sub group will be developed to work with the Region on the Due Diligence/Building Condition Survey's in order to ensure that the process is useful for both Housing providers and the Region.

4.7 Transition Funding

The province has recently confirmed that they will provide the Region with \$165,020 in transition costs to assist in offsetting the costs of planning for and implementing Social Housing Administration in the Region. Eligible costs include professional services, consulting, publications, and office set up costs.

5. FINANCIAL IMPLICATIONS

Both ongoing and transitional costs for the social housing programs are included in the 2001 budget estimates. No new costs are anticipated at this time. Increased efficiencies in property management services will assist in controlling the costs of delivering the full range of housing services and programs transferred from the province.

6. LOCAL MUNICIPAL IMPACT

Local municipalities are impacted as a result of the Regional tax levies to support social housing. It is anticipated that the merged operation will result in improved service to residents in need of housing services.

7. CONCLUSION

The transfer of social housing occurred smoothly and without incident on January 1, 2001. Both staff and board members of the former York Regional Housing Authority and the Municipal Non-Profit Housing Corporation are to be commended for their leadership and co-operation during the transition. Planning for the transfer of the balance of programs is ongoing and regular reports to committee on specific issues will be forthcoming over the coming months. 2001 will be a year of transition as both property management and program administration move toward the new fully integrated model.

(A copy of the attachments referred to in the foregoing is included with this report and is also on file in the Office of the Regional Clerk.)

Respectfully submitted,

**January 12, 2001
Newmarket, Ontario**

**Alan P. Wells
Chief Administrative Officer**

(Report No. 2 of the Chief Administrative Officer was adopted, without amendment, by Regional Council at its meeting on January 18, 2001.)