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PREPARATION FOR CANADA-ONTARIO AFFORDABLE HOUSING PROGRAM SUBSEQUENT PHASES

The Community and Health Services Committee recommends the adoption of the recommendations contained in the following report dated June 2, 2011, from the Commissioner of Community and Health Services.

1. RECOMMENDATIONS

It is recommended that:

1. The Region enter into an Administration Agreement with the Province of Ontario for the delivery of any new funding allocation under the Canada-Ontario Affordable Housing Program, or its successor program, subject to the prior review of Legal Services.
2. The Commissioner of Community and Health Services be authorized to implement a procedure, in compliance with applicable program guidelines, to identify housing providers who may be eligible for funding subject to approval by Council.

2. PURPOSE

The purpose of this report is to put in place the necessary authorities to allow the Region to participate in any new affordable housing program funding opportunity that may be announced by the federal and/or provincial governments in the coming months.

3. BACKGROUND

The Canada-Ontario Affordable Housing Program was to be a five year initiative

When the Canada-Ontario Affordable Housing Program (AHP) was first announced in 2006, it was to be a five-year initiative to increase the supply of affordable housing in Canada.

To date only part of the program has been rolled out and the Region has been successful in securing almost \$50 million toward the production of 566 new housing units produced by both Housing York Inc. and a number of community non-profit housing partners.

The recent economic downturn diverted governments' attention from the program

Federal and provincial governments' priorities changed with the economic downturn starting in 2008 and funding for the AHP, except for a very limited allocation in 2009 as part of the Economic Stimulus Package, was postponed.

4. ANALYSIS AND OPTIONS

The need for affordable housing has only increased with the economic downturn

The worldwide economic problems have exacerbated shortages in affordable housing and it is expected that a new Canada-Ontario Affordable Housing Agreement will be struck soon.

In York Region, for example, the waiting list for social housing increased by almost 1,800 households between 2008 and 2010 after being relatively stable for several years prior.

The Region needs to be positioned to take advantage of any new funding opportunity

To position the Region to take full advantage of any program announcement, this report requests authority for the Region to participate. Housing York Inc. has a number of projects in various stages of development that could qualify for funding assistance including the proposed project in Keswick resulting from the 2010 Request for Proposals, the transitional housing that will be part of the Women's Shelter in Newmarket and transitional housing for youth under consideration in Richmond Hill.

Previous versions of the AHP have required Council approval for the Region to enter into an Administration Agreement with the Minister of Municipal Affairs and Housing to deliver the funding on behalf of the federal and provincial governments. This is the authority being sought in this report. The Commissioner of Community and Health Services has authority to sign the agreement with the Minister of Municipal Affairs and Housing through section 6.2 of Schedule A to By-law No. 2009-49, the by-law governing the execution of documents on behalf of the Region.

Community housing providers may be able to participate as well

When the details of any new program are known there may be an opportunity to again invite participation of third party affordable housing providers such as community non-profit groups or the private sector.

A Request for Proposals was conducted in 2009 and the qualified proponents were recommended to the Minister of Municipal Affairs and Housing for AHP funding through the authority granted in a Private Report on September 16, 2009 as part of Report 1 of the Community and Health Services Committee. Only three of the recommended projects received conditional approval from the Province at that time so if the scope of any new program permits, consideration could be given to proceeding with one or more of these projects, subject to updating and re-evaluation of their proposals.

An update report will be provided to Council giving details of any new program and funding commitments made by the Region at the first opportunity.

5. FINANCIAL IMPLICATIONS

New program details are not known at this time

Previous versions of the AHP have provided a range of funding of \$70,000 to \$120,000 per unit either in the form of a capital grant or long term repayment of capital loans that effectively reduce the capital equity required to develop the project. Because details of any new program have not yet been released, the amount of expected assistance is not yet known.

As in previous iterations of the AHP Programs, any new funding could significantly reduce the Region's contribution to these developments and therefore extend the life of capital budgets to develop more housing. Capital budgets are in place, however, for the full project costs if necessary.

6. LOCAL MUNICIPAL IMPACT

The Region's waiting list for affordable housing continues to grow for all the local municipalities. Being prepared to leverage housing dollars from the senior levels of government will help meet the increased need.

7. CONCLUSION

This report will position the Region to take full advantage of any federal/provincial affordable housing funding that may become available in the coming months. In previous program allocations there have been very tight turnaround times to secure allocations so Council's approval at this time will ensure the Region can participate to the benefit of its residents and local economies.

Report No. 6 of the Community and Health Services Committee
Regional Council Meeting of June 23, 2011

For more information on this report, please contact Sylvia Patterson, General Manager, Housing and Long Term Care, at Ext. 2091.

The Senior Management Group has reviewed this report.