



City of
Peterborough

To: Members of the Joint Services Steering Committee

From: Malcolm Hunt, Director of Planning and Development Services

Meeting Date: September 4, 2014

Subject: Report PLHDJSSC14-003
Update: Investment in Affordable Housing (IAH) Program
Extension

Purpose

A report seeking the endorsement of Joint Services Steering Committee for the City of Peterborough's participation in the Investment in Affordable Housing as extended by the Ministry of Municipal Affairs and Housing and approved by City Council on August 5, 2014.

Recommendations

That Joint Services Steering Committee endorse the recommendations outlined in Report PLHDJSSC14-003 dated September 4, 2014, of the Director of Planning and Development Services, as follows:

- a) That the Director of Planning and Development Services be authorized to prepare and submit to the Ministry of Municipal Affairs and Housing (MMAH) the necessary forms and documents, in order to maximize the use of the first year of Investment in Affordable Housing Extension funding by the deadline of January 31, 2015; and,
- b) That Investment in Affordable Housing funding from the original program and from the extension of the program be used to further the commitments in the 10-Year Housing and Homelessness Plan for the following projects: \$600,000 for the Mount Community Centre at 1545 Monaghan Road, as approved in Report PLHD14-004; \$350,000 for Knox United Church redevelopment at 165

Rubidge/400 Wolfe Street, as proposed in principle in Report PLHD14-003; and that the balance of 2014-15 Investment in Affordable Housing extension funding be committed by the January 31, 2015 deadline for projects and programs consistent with the Investment in Affordable Housing Program Guidelines as determined by the Director of Planning and Development Services.

Budget and Financial Implications

Investment in Affordable Housing (IAH) is 100% federal and provincial funding. Peterborough has received a notional allocation of IAH extension funds for 2014-15 of \$847,800, which must be committed by January 31, 2015. In addition, \$350,000 is residual from the original IAH program funds for 2014-15. IAH extension funds for 2015-20 will be communicated by the province when new census data is available.

Background

City Council Approves Certain Actions re IAH Program August 5, 2014

At its meeting held August 5, 2014, based on recommendations outlined in report PLHD14-007 date July 28, 2014 (attached as Appendix A) Council adopted the recommendations (a) (b) and (c) of report PLHD14-007 relating to the IAH extension program.

Report PLHD14-007 was presented directly to City Council before going to Joint Services because of the fact staff expected the Investment in Affordable Housing (IAF) program extension would be announced in the summer and the recommendations (a) (b) and (c) of report PLHD14-007 gave City staff the ability to act quickly if needed.

IAH Extension funding announced August 11, 2014.

The province announced the new IAH Extension funding on August 11, 2014. There is \$800 million in funding available across the province over the next six years. This announcement was followed immediately by notional allocations of one-year “use it or lose it” funding, with the promise of multi-year allocations to follow.

IAH Extension funding – first deadline is January 31, 2015

The City’s notional allocation is \$847,800 and the first deadline is January 31, 2015. The Minister of Municipal Affairs and Housing’s letter is attached as Appendix B. Approval of the recommendations in this report will enable the City to use its first year of IAH extension funding by the deadline.

Housing Division and Social Services Division staff have collaborated to develop funding priorities for IAH and Community Homelessness Prevention Initiative, seeking to maximize the potential for both programs while recognizing their individual advantages:

IAH is the only source of federal/provincial capital funds, while CHPI can be used for service provision, rent supplement and emergency financial assistance. Social Services Division will report on the use of CHPI funding when details are provided.

Discussion with Key Stakeholders

Housing Division and Social Services Division staff invited members of the Affordable Housing Action Committee, the Homelessness Support Services Coordinating Committee, the Supportive Housing Network and township Clerks to discuss priorities for new IAH 2014 Extension funding and upcoming years of CHPI funding.

The group identified potential priority populations, including men who are chronically homeless, seniors and people who are employed but still living in poverty. There was widespread support for solutions that are focused on preventing homelessness and for supports to keep vulnerable people in their homes. Staff were encouraged to seek matching funds from other ministries and the Central East Local Health Integration Network to enable supports to be provided with housing.

There was overwhelming recognition of the value of rent supplements as a means to create affordable rents. There was also agreement that if funds were to be spent on capital, units with rents that are more affordable (i.e. rents significantly lower than 80% of Average Market Rent) are required to help low-income households and people transitioning out of homelessness.

Stakeholders also observed that housing insecurity and homelessness are pervasive and complex problems. Staff were urged to investigate the impact of previous programs in order to better prioritize funding for greatest impact.

Potential Projects: The Mount Community Centre and the former Knox United Church

The Mount Community Centre and the former Knox United Church have both been designated by City Council as Municipal Housing Facilities under the Municipal Housing Facilities By-law #12-094. Both projects are planning bachelor and one-bedroom units—an identified long-standing need in the community.

City Council approved \$1 million in funding for the Mount, of which \$600,000 would be existing and future IAH funding, and \$400,000 of City funding (Report PLHD14-004). No additional funding is proposed.

City Council also considered the former Knox United Church, should funds become available (Reports PLHD14-003). The rents at the former Knox United Church are proposed to be 80-90% of Average Market Rent, based on municipal incentives. With the addition of provincial IAH capital funding, the City could negotiate that rents on some units be brought down significantly – perhaps to 60% of Average Market Rent. At that level, those units would be affordable to households with annual gross incomes as low as \$15,000. While the number of units at this low level would be small, the impact

on those households would be significant. IAH funding of \$350,000 is now proposed in order to achieve greater levels of affordability in this project.

Balance of Funds

There will be IAH funds remaining if the potential projects noted above are approved in full. The timeline for commitments is short and the opportunities for Council consideration are limited. Therefore it is recommended that affordable housing projects be selected by the Director of Planning and Development Services to commit up to approximately \$240,000 by the January 31, 2015 deadline. Should subsequent administration funding become available, the Director should have authority to direct these funds to support program delivery and any evaluation or research to determine the impact of existing housing programs on individuals who have received assistance.

Summary

Program guidelines and further details on the Investment in Affordable Housing 2014 Extension are expected to be received from MMAH in the upcoming weeks. If the recommendations in this report are endorsed by the Joint Service Steering Committee – and subsequently adopted by City Council, the City will be poised to act quickly to commit funds before the January 31, 2015 deadline.

Staff will continue to collaborate between the Housing and Social Services divisions to align funding decisions align with the commitments of the 10-year Housing and Homelessness Plan.

Submitted by,

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Attachments:

Appendix A – Report PLHD14-007 Investment in Affordable Housing (IAH) Program Extension, July 28, 2014
Appendix B – Letter from the Minister of Municipal Affairs and Housing