Regional Municipality of Waterloo

Community Services Committee

Agenda

Tuesday, April 10, 2018

Approximately 10:30 a.m. (← Note Time Change)

Following Special Council Meeting

Regional Council Chamber

150 Frederick Street, Kitchener, Ontario

1. Declarations of Pecuniary Interest under the “Municipal Conflict Of Interest Act”

2. Delegations

Consent Agenda Items

Items on the Consent Agenda can be approved in one motion of Committee to save time. Prior to the motion being voted on, any member of Committee may request that one or more of the items be removed from the Consent Agenda and voted on separately.

3. Request to Remove Items from Consent Agenda

4. Motion to Approve Items or Receive for Information

4.1 CSD-HOU-18-11, Auditor General’s 2017 Report Regarding Social and Affordable Housing in Ontario (Information)
4.2 **CSD-HOU-18-12**, Year 3 Social Infrastructure Fund (SIF) Program Delivery and Fiscal Plan 2018-19

**Recommendation:**

That the Regional Municipality of Waterloo approve the following with regard to the Year 3 Social Infrastructure Funding (SIF) Program Delivery and Fiscal Plan (PDFP) as described in Report CSD-HOU-18-12, dated April 10, 2018:

a) Endorse the recommended PDFP as summarized in Table 1 of Report CSD-HOU-18-12 and the proposed implementation of the PDFP;

b) Authorize staff to forward the PDFP to the Ontario Ministry of Housing;

c) Authorize the Commissioner, Community Services to execute such agreements and documentation in a form satisfactory to the Regional Solicitor, as may be required to process the advance of funding for these programs;

d) Authorize the Director of Housing Services to execute and deliver all other documentation required by the Province of Ontario and The Regional Municipality of Waterloo for the purpose of accessing funding from SIF; and

e) Increase the 2018-2027 Capital Forecast for Housing Services by $1,221,850 in 2018 and $1,221,850 in 2019 for a total of $2,443,700 for new affordable rental housing to be funded by the Social Infrastructure Fund – Investment in Affordable Housing – Rental Housing.

4.3 **CSD-HOU-18-13**, Update - Survivors of Domestic Violence-Portable Housing Benefit Pilot Program and the Portable Housing Benefit-Special Priority Policy Program

**Recommendation:**

That the Regional Municipality of Waterloo approve the following actions with regard to the Portable Housing Benefit – Special Priority Program (PHB-SPP), as outlined in report CSD-HOU-18-13, dated April 10, 2018:

a) Authorize the Commissioner, Community Services, to execute such agreements and documentation in a form satisfactory to the Regional Solicitor, as may be required to advance funding for this program;

b) Authorize the Director, Housing Services, to execute and deliver all documentation required by the Province of Ontario and the Region of Waterloo for the purpose of implementing PHB-SPP; and,

c) Increase the 2018 Operating Budget for Housing Services by $155,095 gross estimate and $0 net Regional levy; and
d) Increase staffing within Housing Services by one permanent full time equivalent (FTE) position to support implementation of housing and homelessness programs; fully funded through the Province.

Regular Agenda Resumes

5. Information/Correspondence

5.1 Council Enquiries and Requests for Information Tracking List  Page 29

6. Other Business

7. Next Meeting – May 1, 2018

8. Adjourn
Region of Waterloo

Community Services

Housing Services

To: Chair Geoff Lorentz and Members of the Community Services Committee

Date: April 10, 2018  

File Code: D27-80

Subject: Auditor General's 2017 Report Regarding Social and Affordable Housing in Ontario

Recommendation:

For Information

Report:

The Provincial Auditor General's 2017 Report released December 6, 2017 included a review of social and affordable housing in Ontario and provided a number of recommendations to the Ministry of Housing. The Ministry has since responded, acknowledging the complexity of the social and affordable housing system in Ontario and recognizing the need for improvements.

Peter Milczyn, Minister of Housing, sent a letter dated February 27, 2018 to single tier/upper tier Municipal Council Chairs, CAOs, and Service Managers outlining the next steps in this process. There are 15 recommendations which will all be addressed. Two key areas are being examined more closely to better understand the issues and identify ways to address these recommendations over the short and longer-term: ensuring that social housing Service Level Standards are met in communities across the province, and improving rules around social housing waitlists.

Service Managers for Housing have now received memos from the Ministry requesting information about how waitlists are administered including implementation of local priorities, rules and asset limits. A recent report was approved at Council on March 28, 2018 regarding Community Housing Waiting List Local Priorities and Status Policy Updates (Report CSD-HOU-18-08) outlining local waitlist information. The Region currently has not established any asset limits.
A similar process will be underway regarding Service Level Standards (SLSs), to better understand the underlying issues where the standards are consistently not being met. SLSs are the number of Rent-Geared-to-Income (RGI) units that the Province transferred to single/upper tier municipalities in the early 2000’s as part of their new responsibilities as Service Managers for Housing. These came as either units with public housing (Waterloo Region Housing), non-profit or co-operative housing providers or as rent supplement units with the private sector (legacy housing programs). The Housing Services Act (HSA) requires Service Managers to maintain this level of RGI units within their jurisdiction as a minimum standard.

New changes to legislation in 2017 will allow certain programs to be counted as part of SLSs. In 2005, the Region created 140 RGI rent supplement units, fully funded by the Region. These units will now be allowed to be counted towards the SLSs. The Ministry is working to clarify what other funded programs may also be allowed to count towards SLSs.

In Waterloo Region, the SLSs are 5,882. As of March 2018, the Region is currently below the SLS level by 180 units or 3 percent (3%). Each housing provider has specific SLS targets, including a target for the rent supplement program. Some households have improved incomes over time and can reach a point where they no longer require a rent subsidy (maximum income level or market rent). These households have security of tenure and are not required to move on when this occurs, so SLS targets can get out of balance. When units become vacant, housing providers are required to select households in order to get back to their SLS targets.

Staff will continue to work with the Ministry to better understand these issues and identify possible solutions, reporting back to Regional Council any key changes or decisions.

Quality of Life Indicators:

Improving the wait list system and meeting SLS targets aligns with Economic Well-Being (e.g. increased access to affordable housing); Social Inclusion and Equity (e.g. the ability to choose their neighbourhood will positively impact participants’ sense of belonging and community participation); and Physical and Emotional Well-Being (e.g. having an affordable home will positively impact participants’ daily functioning and how they feel about their life).

Corporate Strategic Plan:

This proposal is consistent with the Region’s 2015-2018 Corporate Strategic Plan, Focus Area 4: Healthy, Safe and Inclusive Communities; and specifically, Strategic Objective 4.3. Increase the supply and range of affordable and supportive housing options.
Financial Implications:
Nil

Other Department Consultations/Concurrence:
Finance was consulted on this report.

Attachments
Appendix A: Auditor General's News Release December 6, 2017
Appendix B: Ministry of Housing letter February 27, 2018

Prepared By: Deb Schlichter, Director, Housing Services
Approved By: Douglas Bartholomew-Saunders, Commissioner, Community Services
News Release
For Immediate Release

Social and Affordable Housing Needs Growing While Supply Has Been Declining: Auditor General

(TORONTO) There are more households on waiting lists for social housing in Ontario than there are actually living in social housing, Auditor General Bonnie Lysyk says in her 2017 Annual Report, tabled today in the Legislative Assembly.

"The Ontario wait list for social housing, representing about 185,000 households, is one of the biggest in the country relative to population size," Lysyk said after her Report was tabled. "Under Ontario's Housing Services Act, the Province is required to ensure that approximately 167,000 households receive social housing each year. However, since 2004 only about 167,000 households on average have received social housing annually."

There is no Provincial strategy to address the growing social housing wait lists (185,000 households waiting as of 2016), the needs of the growing number of low-income Ontarians (1.9 million in 2016), and the risk of losing almost one-third of the existing affordable rental units in the Province (about 83,000 of 283,000 units).

Currently, there are 285,000 affordable housing units in Ontario. Despite increasing demand in Ontario for social and affordable housing, only 20,000 affordable units (below-market rental units) have been built in the last two decades. We found that Ontario's stock of affordable housing as a percentage of its total population was about 2%. In comparison, Denmark and England's percentages were 8% and 11%.

Construction of new affordable housing slowed considerably after 1996, and the number of affordable units is dropping as contracts with housing providers begin to expire. The Province does not have complete information on how many affordable units have been lost, and what the impact has been on tenants.

Other findings in the audit include:
- Wait times for social housing are lengthy and growing even longer. Applicants on wait lists can only obtain social housing when a vacancy arises, but only 5% of people on the lists obtain housing in any given year. Wait times tracked by the municipal service managers we visited ranged from two to nine years.
- Social housing in Ontario is provided on a first-come, first-served basis rather than on assessed need (except for abused victims, who receive priority). Most other provinces use assessed need to provide social housing. The only financial eligibility criterion to qualify for social housing is household income—however, applicants on wait lists have been found to own significant assets. As well, some applicants on wait lists do not live in Ontario, but will be entitled to a unit when their turn comes on the wait list.
- Contracts with other pre-1996 social-housing providers (i.e., non-profits, cooperatives and private landlords) obligate them to provide about 83,000 below-market-rate rental units in Ontario. These contracts are beginning to expire (about 50% will have expired by the end of 2020, and the last by 2033). Some housing providers have already increased rents, and are converting below-market-rate rental units to market-rate rental units. The Ministry of Housing does not have complete information on how many below-market-rate units have been lost, and what the impact has been on tenants.
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- Ontario does not do enough to integrate its housing and employment supports to encourage and help social housing tenants to move to a market-rate unit. Other provinces such as British Columbia and Saskatchewan have better integration of housing and employment supports.

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Appendix B

February 27, 2018

Mr. Ken Seiling
Chair
Regional Municipality of Waterloo
150 Frederick Street, 1st Floor
Kitchener ON N2G 4J3

Dear Chair Seiling:

The 2017 Auditor General’s Report included a review of social and affordable housing in Ontario and provided a number of recommendations to the Ministry of Housing. The ministry’s response to the Report acknowledged the complexity of the affordable and social housing system in Ontario and recognized the need for improvements to move toward the vision that every person has an affordable, suitable, and adequate home to provide the foundation to secure employment, raise a family and build strong communities (click here to access the Auditor General’s Report and recommendations for the Ministry of Housing).

I have had time to reflect on the Auditor General’s report and I agree with her recommendations. Ontarians deserve a social housing system that works for them. One that meets their needs and one that meets the unique needs of every community across this province. Over the coming months I am committed to working with you to examine the issues raised in the Report, and to identify ways to address the Auditor General’s recommendations over the short and longer-term.

There are two areas in particular that I am beginning work to examine more closely. Firstly, I am committed to addressing the Auditor General’s recommendation to ensure that social housing Service Level Standards are met in communities across the province. I have asked ministry staff to follow up with Service Managers who are consistently not meeting these standards to better understand the issues underlying this situation. I know that working together we can find the right solutions.

In addition, I am committed to looking at ways we can improve the rules around social housing waitlists – recognizing that the need for consistency and fairness across the
province must be balanced with the reality of unique local circumstances. As a first step, I have directed staff to provide me with comprehensive advice within 90 days that will include detailed information on how waitlists are currently being managed in communities across the province, as well as potential immediate and longer-term steps that can be taken to improve the system. Following receipt of this advice, I am committed to engaging with tenants, applicants and tenant organizations to get their input on how waitlist system processes could be improved to better meet tenants' and applicants' needs. If what we learn through this process signals the need for regulatory and/or legislative changes, we are prepared to put forward proposed changes.

The ministry will be undertaking an information gathering process to better understand how Service Managers are administering their waitlists across the province – including the implementation of local priorities, rules and asset limits. I am seeking your assistance in participating in the survey and providing this information to the ministry. The data you provide will be crucial to help inform ways we can better work together to improve social housing waitlist systems. In the coming weeks, you will receive a memo with further information detailing how to provide this information, and a provincial roll-up of the results will be shared with you following the data gathering and analysis.

As Minister, I take the commitment to improving the lives of all Ontarians very seriously. I am committed to working with a range of partners to strengthen the way housing services are delivered in the province. I believe that all three levels of government must be partners to meet the housing needs of Ontarians – and when we work together, we can help everyone find a place to call home.

Sincerely,

<original signed by>

Peter Milczyn
Minister

c:  Mr. Michael Murray, Chief Administrative Officer, Regional Municipality of Waterloo
Ms. Deb Schlichter, Director, Housing Services, Regional Municipality of Waterloo
Region of Waterloo
Community Services
Housing Services

To: Chair Geoff Lorentz and Members of the Community Services Committee
Date: April 10, 2018
File Code: D26-20
Subject: Year 3 Social Infrastructure Fund (SIF) Program Delivery and Fiscal Plan 2018-19

Recommendation:

That the Regional Municipality of Waterloo approve the following with regard to the Year 3 Social Infrastructure Funding (SIF) Program Delivery and Fiscal Plan (PDFP) as described in Report CSD-HOU-18-12, dated April 10, 2018:

a) Endorse the recommended PDFP as summarized in Table 1 of Report CSD-HOU-18-12 and the proposed implementation of the PDFP;
b) Authorize staff to forward the PDFP to the Ontario Ministry of Housing;
c) Authorize the Commissioner, Community Services to execute such agreements and documentation in a form satisfactory to the Regional Solicitor, as may be required to process the advance of funding for these programs;
d) Authorize the Director of Housing Services to execute and deliver all other documentation required by the Province of Ontario and The Regional Municipality of Waterloo for the purpose of accessing funding from SIF; and
e) Increase the 2018-2027 Capital Forecast for Housing Services by $1,221,850 in 2018 and $1,221,850 in 2019 for a total of $2,443,700 for new affordable rental housing to be funded by the Social Infrastructure Fund – Investment in Affordable Housing – Rental Housing.

Summary:

The purpose of this report is to seek the approval of Regional Council to allocate $2,443,700 in Year 3 Social Infrastructure Funding for approximately 21 new affordable rental housing units.
This report is also providing information about amendments to the Investment in Affordable Housing - 2014 Extension (IAH-E) Program Delivery and Fiscal Plan for 2018-19 to reallocate some of the funding for Affordable Home Ownership ($250,000) and Ontario Renovates ($150,000) for approximately four new affordable rental housing instead, as per the Director, Housing Services, authority granted by Regional Council in 2015.

This new funding and reallocated funding ($2,843,700) is expected to help create approximately 25 units of new affordable rental housing.

Report:

On June 21, 2016 the federal and provincial governments announced $640 million in additional funding for affordable housing over three years. This Social Infrastructure Funding (SIF) is intended to improve the quality of existing affordable housing, create new affordable housing while also stimulating economic growth, allowing time for the federal government to develop a National Housing Strategy. The Region of Waterloo notional SIF funding allocation was $16,301,600 over a two-year funding period (2016-17 and 2017-18). The Region’s notional allocation for Year 3 (April 1, 2018 to March 31, 2019) is $2,443,700. While the Region received its overall allocation in mid-2017, it was only recently that staff determined to recommend the funding for Rental Housing (Capital). The funding can be used for new rental housing, affordable home ownership, renovations, operating programs and up to five percent for administration. Based on the targets of the Affordable Housing Strategy, current rental market conditions and community need, staff is recommending that the all of the funding ($2,443,700) be allocated for new affordable rental housing as indicated in Table 1: Proposed Program Delivery and Fiscal Plan.

Table 1: Proposed Program Delivery and Fiscal Plan

<table>
<thead>
<tr>
<th>SIF Program Component</th>
<th>Year 3 2018-19</th>
<th>Estimated Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Housing (Capital)</td>
<td>$2,443,700</td>
<td>21</td>
</tr>
<tr>
<td>Home Ownership (Capital)</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Ontario Renovates (Capital)</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td>Administration (Operating)</td>
<td>$0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,443,700</strong></td>
<td><strong>21</strong></td>
</tr>
</tbody>
</table>

Under the current Investment in Affordable Housing - 2014 Extension (IAH-E) Program
Delivery and Fiscal Plan approved by Regional Council in 2015 (Report CSD-HOU-15-002), $250,000 was allocated for the Affordable Home Ownership program for 2018-2019. The Affordable Home Ownership Revolving Loan fund currently has $639,765 available to assist low to moderate income households with down payment loans. Therefore, $250,000 targeted for the Affordable Home Ownership program this year will be reallocated for new affordable rental housing.

In addition, $450,000 was allocated for the Ontario Renovates program for 2018-2019 with an additional balance of $171,977 in Ontario Renovates funding. Based on the number and dollar amount of loans in the last two years, $150,000 of the current year allocation for Ontario Renovates will be reallocated for new affordable rental housing.

Should the recommendations in Report CSD-HOU-18-12 be approved, staff will issue a request for proposals for new affordable rental housing with a total funding amount of $2,843,700. Any proposed funding allocations would be the subject of a future report to Regional Council. It is anticipated that 50% of the SIF funding will be spent in 2018 and the balance in 2019. The actual timing of the expenditures will be dependent upon the response to the Request for Proposal and the actual requirements of the successful proponents.

**Quality of Life Indicators:**

Creating new affordable rental housing aligns with Economic Well-Being (e.g., increased access to affordable housing); and Physical and Emotional Well-Being (e.g., having safe and affordable housing positively impacts daily functioning and how they feel about their life).

**Corporate Strategic Plan:**

This report addresses the Region’s Corporate Strategic Plan 2015-2018, Focus Area 4: Healthy, Safe and Inclusive Communities and specifically Strategic Objective 4.3 – to increase the supply and range of affordable and supportive housing options.

**Financial Implications:**

The Social Infrastructure Fund (SIF) Year 3 will provide $2,443,700 for 2018/19 to help implement the Region’s Housing and Homelessness Plan and Affordable Housing Strategy. While five percent or $122,185 of the funding allocated under Year 3 SIF is available to offset the administrative costs related to the management of the program, staff is recommending that all the funds be used for new affordable rental housing.

Since the IAH-E Program Extension for Homeownership and Ontario Renovates is sufficiently funded, the excess program allocation of $400,000 will be used to increase the total funding envelope for rental housing to $2,843,700. Staff will issue a request for proposals to create new affordable housing in 2018.
Table 2 summarizes the sources and uses of funds.

**Table 2: Summary of Funding**

<table>
<thead>
<tr>
<th>Social Infrastructure Funding</th>
<th>Capital Budget &amp; Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>(SIF) 2018-19</td>
<td>2018</td>
</tr>
<tr>
<td>IAH 2014 Extension</td>
<td>400,000</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>1,621,850</td>
</tr>
<tr>
<td>Provincial Subsidy</td>
<td>1,621,850</td>
</tr>
<tr>
<td>Net Regional Contribution</td>
<td>-</td>
</tr>
</tbody>
</table>

The Region has a policy of providing limited grants to offset Regional Development Charges (RDC) for rental and supportive project priorities which proceed to building permit stage on a first come, first served basis, as detailed in Report P-03-046. There is currently an uncommitted balance of $292,929.56 in the Affordable Housing Incentive Reserve for this purpose for a future RDC grant requests from any future approved Priority Projects.

The 2018-19 SIF allocation is the third year of funding provided by the Province. The Region’s 2018-2027 Capital Forecast includes funding in 2018 resulting from the 2016-17 and 2017-18 allocations. In addition, the $400,000 allocated from the IAH-E 2014 Extension is included in the 2018 Capital Budget. These programs are fully funded by provincial subsidy.

If approved, the Region’s capital forecast for SIF would be as follows:

<table>
<thead>
<tr>
<th>$ In 000’s</th>
<th>2018</th>
<th>Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Infrastructure Funding</td>
<td>Approved Budget</td>
<td>Change</td>
</tr>
<tr>
<td>SIF / Seniors Rental Housing</td>
<td>$ 4,492</td>
<td>$ 1,222</td>
</tr>
<tr>
<td>IAH 2014 Extension</td>
<td>400</td>
<td>-</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>4,892</td>
<td>1,222</td>
</tr>
<tr>
<td>Provincial Subsidy</td>
<td>4,892</td>
<td>1,222</td>
</tr>
<tr>
<td>Net Regional Contribution</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Other Department Consultations/Concurrence:**

Staff from Treasury Services has been consulted in the preparation of this report.
Attachments

Attachment A – Year 3 Notional Allocation Letter

Prepared By:  Jeffrey Schumacher, Supervisor, Housing Program Initiatives

Deb Schlichter, Director, Housing Services

Approved By: Douglas Bartholomew-Saunders, Commissioner, Community Services
Attachment A – Year 3 Notional Allocation Letter

Ministry of Housing
Ministère du Logement

Minister Responsible for the Poverty Reduction Strategy
Ministre responsable de la Stratégie de réduction de la pauvreté

Office of the Minister
Bureau du ministre

777 Bay Street, 17th Floor
777, rue Bay, 17e étage
Toronto ON M5G 2E5
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AUG 9 2017
Mr. Ken Seiling
Chair
Regional Municipality of Waterloo
150 Frederick Street, 1st Floor
Kitchener, ON N2G 4J3

RE: SIF-IAH Notional Funding Allocation – 2018-19

Dear Chair Seiling:

In Ontario, we know that the measure of any government’s priorities can be found in where it chooses to invest, and that the quickest way to overcome a challenge is by working together.

As Ontario’s Minister of Housing, I know there is need for more affordable housing in communities across Ontario and that municipalities cannot meet that need on their own.

That’s why I am pleased to inform you that, as part of Ontario’s continued commitment to increasing affordable housing options across the province, your community will receive an increase in funding of $2,443,700 in 2018-19 under the Investment in Affordable Housing (IAH) program.

<table>
<thead>
<tr>
<th>Program</th>
<th>2018-19 Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase to IAH</td>
<td>$2,443,700</td>
</tr>
</tbody>
</table>

As you might recall, in June 2016 the Governments of Canada and Ontario increased our matching funding commitments to the IAH program as part of a broader increase in matching funding to the Social Infrastructure Fund (SIF) Agreement.

This productive partnership between governments is providing over $640 million through the SIF Agreement for affordable and social housing to March 31, 2019. It is comprised of four separate programs to address housing need, including:

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- the above-mentioned increase to the funding commitment under the SIF-IAH program (2016-17 to 2018-19);
- the construction and renovation of affordable housing for seniors (2016-17 to 2017-18);
- the renovation of social housing (2016-17); and
- the construction of and renovation of shelters and transitional housing for survivors of domestic violence (2016-17 to 2017-18).

In June 2016, our government also committed that a portion of the provincial funds for the SIF-IAH would be allocated in 2018-19 and that those allocations would be communicated in 2017-18.

As with the first two years of the SIF-IAH, we are requiring Service Managers to dedicate SIF-IAH funding to meet the housing needs of the following priority groups and activities:

- supporting affordability for tenants in social housing buildings with expiring operating agreements and/or federal subsidies;
- seniors;
- persons with disabilities including adults with developmental disabilities;
- Indigenous peoples;
- the chronically homeless;
- youth;
- preventing homelessness as individuals transition from provincially-funded institutions such as hospitals, correctional facilities and the child welfare system; and
- projects that support transit corridor intensification and/or community hubs.

An Amending Agreement to the 2016 Social Infrastructure Fund Service Manager Administration Agreement will soon be provided for signature and the current SIF-IAH Program Guidelines will remain in effect for the 2018-19 funding.

As we continue the important work of building more affordable housing, I want to thank you for your efforts to date, which have helped improve the lives of some of the most vulnerable among us.

It is my firm belief that by working together, we can deliver important action to ensure every family has an affordable place call home.

Sincerely,

Peter Milczyn
Minister

cc: Mr. Mike Murray, Chief Administrative Officer, Regional Municipality of Waterloo
Region of Waterloo
Community Services
Housing Services

To: Chair Geoff Lorentz and Members of the Community Services Committee
Date: April 10, 2018
File Code: D26-01

Subject: Update - Survivors of Domestic Violence-Portable Housing Benefit Pilot Program and the Portable Housing Benefit-Special Priority Policy Program

Recommendation:

That the Regional Municipality of Waterloo approve the following actions with regard to the Portable Housing Benefit – Special Priority Program (PHB-SPP), as outlined in report CSD-HOU-18-13, dated April 10, 2018:

a) Authorize the Commissioner, Community Services, to execute such agreements and documentation in a form satisfactory to the Regional Solicitor, as may be required to advance funding for this program;

b) Authorize the Director, Housing Services, to execute and deliver all documentation required by the Province of Ontario and the Region of Waterloo for the purpose of implementing PHB-SPP ; and,

c) Increase the 2018 Operating Budget for Housing Services by $155,095 gross estimate and $0 net Regional levy; and

d) Increase staffing within Housing Services by one permanent full time equivalent (FTE) position to support implementation of housing and homelessness programs; fully funded through the Province.

Summary:

On April 4, 2016, as part of the Long Term Affordable Housing Strategy Update, the Province announced the Survivors of Domestic Violence – Portable Housing Benefit (SDV – PHB) Pilot program and issued an Expression of Interest (EOI) for Service Managers to participate in the pilot.
The Region of Waterloo was one of 22 Service Managers selected to participate in the pilot program. This report describes the implementation and outcomes of the pilot program.

The SDV-PHB pilot program set the framework for a new program with similar objectives and an updated delivery model. In the new program, Portable Housing Benefit-Special Priority Policy (PHB-SPP), the Province (through the Ministry of Finance, MOF) will make payments directly to approved participants. This adjustment will allow the funding benefit to be portable within the Province and not limited to the Service Manager area, increase the participant choice of community and enhance options while fleeing domestic violence and human trafficking. This report describes the new program objectives, delivery method and recommends entering into an agreement with the Ministry of Housing to participate in the PHB-SPP program.

Report:

1. Survivors of Domestic Violence–Portable Housing Benefit (SVD-PHB) 2016-2018

In 2016, the Ministry of Housing (MHO) initiated a two-year pilot program that provided a monthly subsidy to assist survivors of domestic violence obtain housing more quickly in the private rental market than waiting on the community housing waitlist for rent geared-to-income (RGI) housing.

The policy goal was “to make it easier for survivors of domestic violence to leave an abusive situation by granting timely access to affordable housing”. The program provided survivors of domestic violence, who were eligible under the Special Priority Policy (SPP), with additional options to meet their housing needs and at the same time alleviate pressures on the community housing system. Instead of staying in shelters or other precarious housing situations until a community housing unit was available, this pilot program provided survivors with the option to receive a portable benefit so they could immediately find housing in their preferred community.

The SDV-PHB had five objectives:

- To increase support for those fleeing domestic violence to obtain and retain housing;
- To decrease wait times for housing assistance for SPP households on the wait list for community housing;
- To expand housing choice for SPP households;
- To evaluate the client experience of and the range of benefits provided by the delivery of a portable housing benefit; and
- To align with Ontario’s action plan to end sexual violence and harassment.

Through the pilot, the Region provided a monthly, portable, housing benefit of $350 for 2680607
a single person or $400 for families, in addition to a first/last month rent deposit. SPP households that chose to participate in the pilot had their applications on the waitlist deferred for the duration of the pilot. A total of 29 households participated in the pilot program (21 are included in the attached evaluation).

During the pilot program evaluation, participants were asked a series of questions regarding the program administration and the impact on their quality of life. The pilot program has been exceptionally effective in providing a viable alternative to community housing for survivors, giving them more choice as to where to live, enhancing their quality of life, helping them find housing more quickly, and providing greater housing stability. Participants reported feeling safer in their SVD-PHB funded unit, more in control of their finances, optimistic about the future, and an increased sense of autonomy after receiving the SVD-PHB.

One participant put it this way:

"It saved my life. Without it I would have been forced back to my abuser when my time at the shelter was up, with the long wait times for housing."

For another participant, securing housing was the start of enabling her to begin feeling strong and secure employment.

"My new income is $13.00 an hour for full time 40 hours per week. I started at $11.00 an hour [one month after being housed] as just office help and now three raises and a promotion later I am earning $13.00 an hour and I am the office manager…. They love me here and I love working here it is right up my alley.

All this is possible because of you and this program. If I did not have stable safe housing I would never have been able to be strong and feel safe enough to venture out of my home to find this job."

A summary of the evaluation results is included as attachment A.

2. Portable Housing Benefit-Special Priority Policy - (PHB-SPP) 2018

Following the strong results of the pilot program, the 2017 provincial budget announced an investment of $30 million over three years supporting up to 3,000 survivors of domestic violence through the Special Priority Policy-Portable Housing Benefit (SPP-PHB). Funding will be available on an ongoing basis, subject to annual provincial budget approvals. Benefits will be made available on a first come, first served basis to survivors who are eligible under the Special Priority Policy (SPP) as well as current recipients under the pilot program.

The PHB-SPP has three objectives:
1. To provide survivors of domestic violence and survivors of human trafficking with housing support;
2. To decrease wait time for housing assistance; and
3. To expand housing choice for households that are eligible for SPP.

The PHB-SPP program will deliver outcomes to recipients over the immediate, short, intermediate and long term including:

- Receiving housing assistance more quickly than households in the SPP category who are waiting for RGI assistance;
- Having more choice of suitable housing (types, quality, locations, etc.);
- Flexibility to relocate anywhere in the Province, at any time;
- Having a reduced rent burden (lower percentage of income spent on shelter costs);
- Being less likely to return to an emergency shelter;
- Improved household financial well-being; and
- Improved quality of life.

The PHB-SPP, while similar to the SVD-PHB in terms of objectives, includes a number of amendments to program delivery. Rather than a flat rate of funding (e.g. $350 per month), the provincial PHB-SPP will be calculated based on 80% of average market rent for the smallest unit size for which the household qualifies, minus 30% of Adjusted Family Net Income (AFNI). In most cases, this will be higher than the funding received in the pilot program. Households will not have restrictions on unit size or type beyond their own budgetary limitations, can choose to relocate with their benefit throughout the province and can retain in-year income increases, none of which are available in the RGI model. In addition, this program will be administered by the Province utilizing the Minister of Finance (MOF) which will also issue payments made directly to the household.

Service Managers are responsible for working with SPP households to provide them with information on the program, assist with the application and income verification as necessary, and have a conversation with them to provide them with sufficient information to make an informed choice about whether staying on the waitlist for RGI housing or participating in the PHB-SPP is best for them. The Service Manager will be able to provide eligible households with assistance for first-and-last months rent in accordance with the program guidelines and report this to the MHO. The MHO will flow these funds to Service Manager on a quarterly basis retroactively, in accordance with the required quarterly report. Based on an estimate of 71 approved participants, the Region will advance funding for first-and-last month’s rent in the amount of $137,345 which will be fully reimbursed and not impact the net levy.
Quality of Life Indicators:

The PHB-SPP Program aligns with Economic Well-Being (e.g. increased access to affordable housing); Social Inclusion and Equity (e.g. housing support and the ability to choose their neighbourhood will positively impact participants’ sense of belonging and community participation); and Physical and Emotional Well-Being (e.g. leaving an abusive situation will positively impact participants’ daily functioning and how they feel about their life).

Corporate Strategic Plan:

This proposal is consistent with the Region’s 2015-2018 Corporate Strategic Plan, Focus Area 4: Healthy, Safe and Inclusive Communities; and specifically, Strategic Objective 4.3.2 Increase the number of affordable housing units by implementing the Affordable Housing Strategy.

Financial Implications:

The PHB-SPP is 100% provincially funded. Service Managers will receive a one-time administration payment of $250 per eligible applicant that is approved to participate in the program and will be used to offset administration expenditures. Based on the program take up of SVD-PHB of 71 participants, the overall funding is estimated at $155,095 ($17,750 in administration funding and $137,345 for first-and-last month’s rent). This will be fully reimbursed by the MHO subject to quarterly reporting.

The administration funding of this program coupled with the existing administrative component of Community Homelessness Prevention Initiative (CHPI) is available to fund an increase of 1.0 permanent full time equivalent (FTE). Both of these programs are fully funded by the Province. This position will support this program and other housing program initiatives.

Other Department Consultations/Concurrence:

NIL

Attachments

Attachment A- Summary of the Evaluation of the SDV-PHB Pilot Program

Prepared By: Jennifer Murdoch, Manager, Housing and Homelessness Programs

Deb Schlichter, Director, Housing Services

Approved By: Douglas Bartholomew-Saunders, Commissioner, Community Services
Attachment A: Summary of the Evaluation the SDV-PHB Pilot Program

Program Uptake
During the course of intake for the pilot, 81 Households were deemed eligible for SPP status. Of the 81 eligible households 14 were deemed ineligible to receive SDV-PHB funding, either because they were already receiving other rental subsidies or accepting assistance in another region. Two households became ineligible due to choosing to reconcile with their abuser.

Of the 65 eligible households, 21 declined the PHB. The majority of these households (12) cited financial reasons (the level of funding provided not equal to RGI), including two households that could not secure an independent income prior to leaving their abuser. Seven households declined without providing a reason, and one household declined because Ontario Works shelter allocations are insufficient to acquire a unit size large enough for her to work toward reuniting with her children.

The remaining 44 households were eligible and expressed an interest in participating in the program. Twenty one of these households were able to secure units and participate in the program.

Of the 21 households who were successfully housed through the program, 6 were single person households and 15 were single-parent families with up to 5 children. All remain safely housed through the pilot, although one household chose to end their private tenancy early and move into community housing, and one household had to relocate to a second private unit for safety reasons. The household that needed to relocate was able to take their portable housing benefit with them. One household left the program after one year due to an increase in income making her ineligible to continue to receive assistance.

Why households chose to participate in the Program

“My children and I previously lived in that community and I wanted the opportunity to be able to move back to where they were comfortable and would be able to adjust easier as they had already attended the school there previously.”

Fifty percent of recipients reported that they chose the PHB because the wait for RGI housing was too long, while 22% liked where they were living and just needed help with the rent. Other common reasons given for choosing the PHB were affordability, choice, control over neighbourhood, and flexibility of unit, especially when it came to minimizing disruption to their children, such as remaining within the same school boundaries.

Program impacts for participants

“It saved my life. Without it I would have been forced back to my abuser
when my time at the shelter was up, with the long wait times for housing.

Receiving the PHB enabled 42% of recipients to move directly from their abusive situation into their PHB-funded unit. The Program also enabled 16% of recipients to move out of shelter, including one woman who gave birth one month after moving into her new unit.

The most significant impact of the program was in reported changes in quality of life of recipients. Recipients reported feeling safer in their SVD- PHB funded unit, reported feeling more in control of their finances after receiving PHB, felt a sense of autonomy and felt optimistic about the future.

### Quality of Life: Before

![Bar chart showing quality of life before using the program](chart1)

### Quality of Life: After

![Bar chart showing quality of life after using the program](chart2)
These results translated to improvements in the participants’ income earning potential and a sense of belonging in their communities. Participants reported improved health, reconnecting with their families, and increasing community participation through volunteering or new employment opportunities. One household left the SDV-PHB program after one year because her income increased to a level that she was no longer eligible.

**Program impacts on the Community Housing waitlist**

Diverting SPP applicants into private market housing addresses the issue of the SPP priority sometimes creating an imbalance of households within a community housing building. The SVD-PHB supports a mixed community model by allowing participants to find housing outside of community housing buildings. In addition, applicants without a SPP priority status on the waitlist have an increased opportunity for RGI housing that may not have been available to them. The Program diverted 21 priority households from community housing vacancies, allowing offers of RGI to other priority, chronological or Urgent Status applicants.

Of the total households housed in RGI housing over the five years prior to the launch of the pilot, an average of 20% had SPP status, and an average of 58% of vacancies filled by households without a priority status. Although the pilot was limited in scope and was only actively recruiting households for four months of 2016, only 15.6% of vacancies were filled with SPP applicants and 64% of vacancies were filled by households without a priority status in 2016—which suggests that the pilot was successful in freeing up vacancies for those who are waiting for community housing without a priority status.

**Challenges and Limitations**

This section discusses the challenges that were encountered while implementing the Program as well as some of its limitations.

**Supply of Affordable Housing**

Although participants were free to find their own housing anywhere within the Region, they were limited to homes at or below the Canadian Mortgage and Housing Corporation (CMHC) Average Market Rent (AMR) and the same minimum and maximum unit sizes for which they were eligible in community housing.

Unfortunately, the CMHC AMR did not reflect the current rental market for units that were actually available for rent. As an example, there was no 4-bedroom units available at the AMR and only 10% of 3-bedroom units listed for rent qualified for the program. As a result, households had difficulty finding suitable housing within the rent amount limits of the program.

When program participants were asked about how easy it was to find a unit that they
could afford, 81.25% of households reported that it was hard or very hard, and 75% reported that it was hard or very hard to find a unit that met their other criteria (physical condition, distance from work/schools, transit and other amenities).

**Difficulty finding a unit I could afford**

To assist with this issue, staff requested and received permission from the Ministry of Housing to raise the rent thresholds based on a local survey of available units, Alternate Average Market Rent (AAMR). This increased the supply of available units for program participants. Only a third of participants were able to find housing at or below the original AMR, the rest were able to find housing at or below the new AAMR. While raising the threshold did increase the supply of units that qualified, it did require households to pay more for their housing as the amount of benefit they were receiving did not increase.

Despite these challenges, 95% of PHB recipients report being satisfied or very satisfied with the freedom to choose their own housing and 80% were satisfied or very satisfied with the amount of financial assistance received.

“It suits my disabilities, the neighbors are great and the building is quiet, and the location is close to my new doctor and pharmacy. I love my apartment it is a great layout and everyone at housing is so helpful and nice I could not be more happy if I tried.”

The success of the program relied on a great deal of remote coaching and assistance by Region staff in order to help applicants successfully house themselves in a competitive housing market, both with identifying qualifying units that would meet their needs, and with maintaining motivation for the housing search after repeated rejection of rental applications. 63% percent of households reported receiving assistance with their housing search from Region staff, and 95% of households reported satisfaction with help they received from Housing staff regardless of whether they secured new housing or were funded in situ. 37.5% reported receiving housing search assistance.
from family and friends, while only 12.5% reported finding their housing without assistance. 5% of households reported receiving assistance with their housing search from Domestic Violence shelters or staff, and 75% of applicants who received assistance (not limited to housing search support) from their local shelter reported satisfaction with the help they received.

**Limited Scope of Pilot**

The initial proposal was to assist 17 households in year one (and only anticipated that 14 of these households would remain in the program in year two). Due to a late announcement of funding five months into the funding year and a slow start due to the limited number of units that qualifies with the CMHC AMR, we were able to house 21 SPP households through the program.

The pilot program was set to end in March 2018. The program funding was fully allocated and no new referrals for the pilot were accepted after February 2017, as the entirety of our year two funding was allocated to maintain existing households and we were unable to secure additional funding for year two at the time.

The Ministry of Housing announced additional funding for the pilot program on October 27, 2017. The Region was allocated an additional $25,500, which assisted 8 additional households.

**Impacts of Domestic Violence on Capacity to Find Private Market Housing**

When the Region submitted a request to participate in the SDV-PHB pilot, we included a request to fund intensive housing search support, which was identified by shelter workers as a critical resource need to improve outcomes for survivors of domestic violence.
Unfortunately, the Ministry of Housing only provided funding for rent allowances – not support to help survivors find housing. While we initially worked with community partners (YWCA, Lutherwood, and Cambridge Housing Corporation) to provide up to 10 hours of hands-on housing search support to Program applicants who required additional support, these agencies were also under-resourced to provide this assistance.

In addition to impacting the sense of autonomy that the women felt in their lives, the effects of domestic violence had also impacted some of the households’ credit scores and landlord references. As a result, many SPP households had difficulty finding suitable housing on their own. Four households gave up their housing search and returned to the community housing waitlist, reporting that they could not find an apartment they could afford or a landlord willing to rent to them, while two additional households remained on the waitlist while they looked and were offered community housing before they could secure a private market unit. Four of these six households were recipients of government assistance.
## Council Enquiries and Requests for Information

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