



**To:** Chair and Members of the Social Services Committee  
**From:** Mark Poste, Director of Housing  
**Date:** Wednesday, March 08, 2023  
**Subject:** **2023-25 Planned Funding Allocations for Provincially-Delivered Housing and Homelessness Prevention Programmes**

### Background:

On February 2, 2023, the County received a letter from the Minister of Municipal Affairs and Housing, Steve Clark, regarding the 2023/24 and 2024/25 Fiscal Year Planned Funding Allocations for a number of programmes delivered by the Housing Services Division. This report provides an overview of the details contained in this letter and the impacted funding programmes. To note, the funding allocations provided in the letter are for planning purposes and final funding allocations will be confirmed once federal and provincial bilateral agreements have been signed.

### Capital Funding Programmes:

#### Canada-Ontario Community Housing Initiative (COCHI)

The COCHI programme is traditionally used by the Housing Services Division to invest in needed capital repairs for our community's non-profit and co-op social housing provider stock. The programme also allows for the potential investment into new affordable housing developments, but investing in the capital repairs of existing social housing properties is a provincial priority.

The 2023-24 planning allocation for the COCHI programme has increased to \$1,633,500 and \$2,222,200 in 2024-25. This funding programme was created through bilateral housing agreements established between the federal and provincial governments, where federal savings from declining support provided locally under the "Service Manager Federal Funding for Social Housing" annual allocations are reinvested into the housing system. The planning allocation letter recognizes that the previous COCHI funding allocation model was based on outdated 2018-19 Social Housing Agreement funding levels, and that the ministry has updated the funding model for 2023-24 to provide a more equitable, needs-focused approach based on social housing stock and core housing needs. Below are the historical allocations under this funding programme since its creation.

Year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
COCHI Funding	\$190,338	\$477,074	\$774,558	\$631,676	\$1,633,500	\$2,222,200

#### Ontario Priorities Housing Initiative (OPHI)

The OPHI programme allows for some flexibility in how the funds can be invested locally, but the main investment options are direct capital investment for the creation of new affordable rental housing

units, supporting our local homeownership down payment assistance programme, supporting accessibility and major capital upgrade grants for homeowners, and providing rent supports in the community. Over the past years, this funding has been prioritized by the Housing Services Division as a main source of capital funding to support our community’s new affordable housing developments.

The 2023-24 planning allocation for the OPHI programme is \$1,186,200 in 2023-24 and \$1,144,500 in 2024-25. This funding programme was created in 2019 through agreements established between the federal and provincial governments and is the successor programme to previous funding programmes delivered through the County of Wellington in its role as Service Manger such as the Affordable Housing Programme (AHP), Investment in Affordable Housing (IAH), and the Social Infrastructure Fund (SIF). Below are the historical allocations under this funding programme since its creation.

Year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
OPHI Funding	\$1,519,400	\$1,319,355	\$693,245	\$1,117,200	\$1,186,200	\$1,114,500

**Operating Funding Programmes:**

**Canada-Ontario Housing Benefit (COHB)**

The COHB programme is a portable housing benefit that supports the rental affordability of households living in the private rental market. The benefit comes in the form of a rent subsidy that is provided directly to landlord on behalf of the tenant. The rent subsidy calculation is complex, but the basic principle is that with the benefit the household shouldn’t pay more than 30% of their before tax income on their monthly rent.

The 2023-24 planning allocation for the COHB programme is \$497,900, and we anticipate will support rent subsidies for approximately 45 households. However, this represents a substantial decrease in funding for the programme. Like the COCHI and OHPI programme, the COHB programme was created through bilateral housing agreements established between the federal and provincial governments, where federal savings from declining support provided locally under the “Service Manager Federal Funding for Social Housing” annual allocations are reinvested into the housing system. This funding programme is the successor programme to previously provincially funded Survivor of Domestic Violence- Portable Housing Benefit programme delivered through the County of Wellington. Below are the historical allocations under this funding programme since its creation.

Year	2020-21	2021-22	2022-23	2023-24
COHB Funding	\$379,371	\$774,558	\$616,900	\$497,900

**Homelessness Prevention Programme (HPP)**

The HPP is our primary funding source for our community’s housing stability system, including all services that focus on homelessness prevention, shelter diversion and rapid rehousing services, street outreach supports and the emergency shelter system for those experiencing homelessness.

On April 1, 2022, the Homelessness Prevention Programme came into effect replacing three programmes, and was designed to support Service Managers in preventing, addressing, and reducing homelessness, including chronic homelessness.

The three programmes being replaced by the HPP are:

- The Community Homelessness Prevention Initiative (CHPI), which is our community’s primary source of funding for the homeless serving system.
- The Strong Communities Rent Supplement Programme, which a 17-year-old, long-term rent support programmes that provides housing stability for 75 low-income households.
- The Home for Good supportive housing programme, which is a provincially funded RFP process that was made available in 2017 (of which our community’s application for funding was not successful).

The 2023-24 planning allocation for the Homelessness Prevention Programme is \$4,878,400. Unfortunately, this amount of funding represents a 0% increase over previous years funding, which is problematic given heavy inflationary pressures over the past year. The planning allocation letter indicates that the ministry is conducting a review of the funding allocation model for the Homelessness Prevention Program (HPP). Given the ongoing review, the letter identifies that the funding allocations under HPP may be subject to change and that any potential change would not result in a reduction to the planning allocation provided. Below are the historical allocations under this funding programme since its creation.

Year	2022-23	2023-24
HPP Funding	\$4,878,400	\$4,878,400

**Social Services Relief Funding (SSRF)**

The planning allocation letter did not mention new funding under the Social Services Relief Funding programme. The end of 2022 meant the end of the Province’s Social Services Relief Funding (SSRF), which annually contributed on average \$2 million in additional provincial funding to support local housing stability work. Our partners at the Ministry of Municipal Affairs and Housing indicated that they are working with the federal government to find a way to sustain the SSRF into the future, however, the impact of the end of the SSRF funding and the 0% increase on the Homelessness Prevention Programme funding will result in significantly decreased service delivery levels of our community’s housing stability system.

**Financial Implications**

The funding allocations for both COHB and HPP are in line with the 2023 budget. The funding allocations provided for both COCHI and OPHI represent a significant increase over the funding that was originally included in the 2023 housing budget. As this funding is 100% provincial the increase will not impact the municipal tax levy.

**Attachment**

Letter dated February 3, 2023, from Steve Clark, Minister of Municipal Affairs and Housing Re: 2023-25 Planned Funding Allocations for Provincially Delivered Housing and Homelessness Prevention Programmes

**Recommendation:**

That the report, 2023-25 Planned Funding Allocations for Provincially-Delivered Housing and Homelessness Prevention Programmes, be received for information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Poste". The signature is fluid and cursive, with the first name "Mark" and last name "Poste" clearly distinguishable.

Mark Poste

Director of Housing