
HALDIMAND COUNTY

Budget Brief CSS-B01-2023 Social Housing Funding Update

For Consideration by Special Council on March 2, 2023



To: Mayor Bentley and Members of Council

From: Cathy Case, General Manager, Corporate & Social Services, and
Mark Merritt, General Manager, Financial & Data Services

Project: Haldimand Norfolk Housing Corporation Regeneration of Assets

Timing: 2023-2025

Annual Capital Contributions:	2023:	\$1,006,000
	2024:	\$628,000
	2025:	\$628,000

RECOMMENDATIONS:

1. THAT Budget Brief CSS-B01-2023 Social Housing Funding Update be received;
2. AND THAT the Haldimand Norfolk Housing Corporation housing stock repairs project list attached to CSS-B01-2023 Social Housing Funding Update be approved;
3. AND THAT annual capital related funding contributions of \$1,006,000 in 2023 and \$628,000 per year for two years, spanning 2024-2025, be allocated to Haldimand Norfolk Housing Corporation for the repair of Haldimand County social housing stock, as part of the 70% contribution required to obtain funding from the Canada Mortgage and Housing Corporation (CMHC) National Co-Investment Fund;
4. AND THAT Haldimand County supports Norfolk County, as Consolidated Municipal Services Manager, signing the contribution agreement with CMHC to obtain Haldimand County funding in the amount of \$1,012,286, to be flowed to Haldimand Norfolk Housing Corporation through Norfolk County.

BACKGROUND:

In December 2022 staff became aware of an opportunity, through Norfolk County, as the Consolidated Municipal Service Manager (CMSM), to access funding from the Canada Mortgage & Housing Corporation's (CMHC) National Co-Investment Fund, for repair of our public housing stock managed by the Haldimand Norfolk Housing Corporation (HNHC).

The CMSM had until January 16th to advise CMHC of the intent to utilize the funding. In order to be proactive, prior to Council approval, staff responded that we do intend to utilize the funding conditional on Council approval. Subsequently, a report to each respective Council is required to formally approve the repair plan and funding. These resolutions will be forwarded to the CMSM and will advise of Haldimand's support for Norfolk to execute a contribution agreement on Haldimand's behalf and accept the funds. The funds for Haldimand's assets would then be flowed through the CMSM to Haldimand Norfolk Housing Corporation (HNHC). Haldimand will add their contribution to the program to leverage the funding to the maximum of the County's annually planned contributions, allowing HNHC to proceed with the repairs over the next three years.

The deadline to sign the agreement was initially set at March 1st however the CMSM was able to secure an extension until the end of March to allow sufficient time for the HNHC to provide the plan for repairs as well as time to present reports to each Council for their respective approvals. A report to the Health & Social Services Advisory Committee will be presented on February 27th and will subsequently be addressed by Norfolk County Council with ratification on March 28th. The report directly to Haldimand Council is in the form of this budget brief to be presented during the 2023 Tax Supported Operating Budget deliberations on March 2, 2023.

CONCEPT:

The National Housing Co-Investment Fund includes federal funding for the repair and renewal of municipal social housing stock. For Haldimand and Norfolk Counties, these units are owned and operated by the HNHC. This is a cost share program with CMHC providing 30% and municipalities providing 70% of the funding for the repair costs.

Details of the funding opportunity include:

- The total maximum funding available is \$4,130,000 or \$10,000 per unit of HNHC housing stock – this amount takes into account the entire HNHC housing portfolio including the portion owned by Norfolk County;
- This is a cost share program with CMHC funding covering 30% of the repair costs to the maximum funding amount;
- The repairs are to be completed over the next 3 years;
- There are targets for energy efficiency (including greenhouse gas reductions), accessibility and units for women and women led households (special priority status applicants meet this requirement – these are Rent Geared to Income (RGI) housing applicants who are prioritized for housing because they are victims of domestic violence or human trafficking).

Staff from Norfolk County, Haldimand County and HNHC met multiple times to review this offer and determine the appropriate level of funding to recommend accepting, given the level of municipal contribution required and the three year time frame to complete the work. Based on the level of funding that has already been committed to repair and renewal of HNHC housing stock by each County through the municipal budget process, it was determined that the maximum amount of funding that could be accepted from CMHC at this time for Haldimand County stock is \$1,012,286 for the repair of approximately 102 housing units. The Housing Corporation has developed a list of the repair projects to be completed, included as Attachment #1 to this budget brief. The attachment outlines the specific facilities and housing units where eligible repairs will be completed. Within the project list, 55% of the projects meet the energy efficiency component of the funding, 5% meet the accessibility component while the remaining 40% addresses core asset repair.

This is a positive opportunity to leverage 30 cents on the dollar of already budgeted funds by Haldimand County and expedite the regeneration of previously identified assets owned by Haldimand County through HNHC. In other words, it will allow necessary repairs to be completed without financially impacting Haldimand County as significantly as initially expected. Staff of Haldimand, CMSM and HNHC appreciate the federal government and CMHC providing the opportunity to regenerate County housing stock and allow the Haldimand to continue to meet its objective of prioritizing various types of affordable housing in Haldimand.

Each council is required to approve their respective repair projects and their municipal contribution, however because of the governing structure for housing where Norfolk County is the provincially appointed service manager, the agreement will be signed by Norfolk's Mayor and Clerk with all funding being flowed to Haldimand Norfolk Housing Corporation, through Norfolk. Haldimand staff recommend approval of the 3 year housing repair plan, accepting the funding from the National Co-Investment Fund

via the CMSM and approval of the municipal financial contributions for 2023-2025 as outlined in this Budget Brief.

FUNDING:

The funding amount that staff is recommending accepting from CMHC, to be allocated to Haldimand County housing stock repairs, is \$1,012,286. This funding will be received in 2023 and is to be utilized by end of 2025. Additionally, in 2023, \$100,000 of funding from the Ontario Priorities Housing Initiative (OPHI) will be received and allocated towards this repair program. The Haldimand municipal contribution presented in the 2023 Tax Supported Operating Budget is \$1,006,000. These funds include the historical annual capital contributions of \$250,000, plus the additional annual contribution of \$378,000 initiated in 2022, paired with the 2022 unspent contribution of \$378,000 for a total available municipal funds of \$1,006,000 in 2023. Staff are also recommending approval of annual municipal contributions of \$628,000 in 2024 and 2025 in order to leverage the CMHC funding outlined in this report. If Council approves this recommendation, these amounts will appear in future years' budgets as Council approved initiatives. If approved, the total municipal funding contribution towards this three year repair program will be \$2,262,000 with a total value of repairs over three years equalling \$3,374,286. The funding source for the municipal contribution in 2023 is the approved annual levy for HNHC capital repairs and a one-time transfer from the Social Housing Reserve (i.e. unspent 2022 allocation) which means there will not be any direct impact to the tax levy in 2023 through 2025.

Haldimand Social Housing Stock Repairs Program 2023-2025.

Funding Source	2023(*)	2024	2025	Total 2023 to 2025
Municipal	\$1,006,000	\$628,000	\$628,000	\$2,262,000
OPHI	\$100,000			\$100,000
CMHC - NCIF	\$1,012,286			\$1,006,000
Total	\$2,118,286	\$628,000	\$628,000	\$3,374,286

(*) INCLUDES UNSPENT ALLOCATION OF \$378,000 FROM 2022

PROPOSED TIMING:

The funding is for a three year period from 2023-2025. The proposed plan will see the funding from CMHC appear in the 2023 Tax Supported Operating Budget. This funding will be expended over the course of three years, as the County's budgeted contributions become available.

ATTACHMENTS:

1. Haldimand Norfolk Housing Corporation - Project List for Haldimand County.