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TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE MEETING ON November 11, 2013
FROM:	SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIAL SERVICES AND DEARNESS HOME
SUBJECT:	TRANSFER OF ADMINISTRATION OF RENT SUPPLEMENT PROGRAMS

RECOMMENDATION

That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Managing Director of Housing, Social Services and Dearness Home, the following actions **BE TAKEN** with respect to the assumption of the administration of the Rent Supplement Program:

1. The attached proposed By-law **BE INTRODUCED** at the Municipal Council meeting on November 19, 2013 to approve the Assumption Agreement between the Corporation of the City of London and the London and Middlesex Housing Corporation, substantially in the form of agreement attached to this report and to the satisfaction of the City Solicitor; and
2. the Mayor and the City Clerk **BE AUTHORIZED** to execute the said Assumption Agreement.
3. The attached proposed By-law **BE INTRODUCED** at the Municipal Council meeting of November 19, 2013 to delegate authority to the Director of Municipal Housing or her/his designate to execute all Rent Supplement Agreements on behalf of the City of London.

PREVIOUS REPORTS

The following documents provide pertinent history related to this matter:

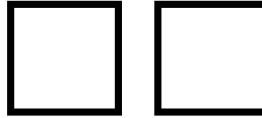
- *Social Housing Reform Act* (SHRA), 2000;
- City of London Social Housing Transfer Plan, May 2001;
- London Community Housing Strategy (LCHS), June, 2010;
- *Housing Services Act* (HSA) 2011;
- LMHC Declaration of the Sole Shareholder by the City of London, June 2011;
- Investment in Affordable Housing (IAH), Ministry of Municipal Affairs and Housing, August 2011; and
- Municipal Housing Supplement Program, Report to Community Services Committee of the City of London, April 2, 2012.

BACKGROUND

Over the course of the past number of years, the City of London's Housing Division has been in discussions with the London and Middlesex Housing Corporation (LMHC) regarding the legislated Service Manager responsibilities associated with the delivery of Rent Supplement programs, as defined within the *Housing Services Act 2011*.

This report provides an update on actions being taken to realign the management of the Rent Supplement programs from LMHC to the City under the direct delivery of the Service Manager.

The proposed realignment of the transferred Rent Supplement programs to the City of London was initially timed to coincide with the retirement of the LMHC manager overseeing Rent Supplement.



The process being used to facilitate the seamless transition of services and funds is following the approach used, in 2002, to transition the Housing Access Centre services and staff from LMHC to the City as part of the Social Housing Transfer Plan. This approach provides a model for the movement of files, data, and business procedures as well as the transfer of staff duties/incumbents (subject to discussions with CUPE Local 101/101.3), funding adjustments related to the management and delivery of this program, and any potential revisions that may be needed to the Sole Shareholder Agreement.

The City will continue working with the Executive Director and the management team at LMHC to ensure funding and program changes are accurate, transparent, and aligned with any governing policies and relevant plans.

Municipal Council has recently approved the creation of new housing supplement programs as part their “toolbox” of affordable housing solutions. 50 new municipally funded housing supplements have been created and aligned with the London CARES program for individuals experiencing chronic homelessness. This housing supplement program provides both a financial and supports component to help tenants with more complex needs. Also, beginning in April 2013, additional new housing supplements were created through the federal/provincial Investment in Affordable Housing (IAH) program.

The co-ordinated management of these new programs as well as existing Rent Supplement programs will allow for both organizational efficiencies as well as improved access to housing options for those seeking affordable living.

Assumption Agreement

Over the years, the London and Middlesex Housing Corporation entered into a number of Rent Supplement Agreements with various housing providers, both private and not-for-profit. In order for the City of London Housing Division to assume the rights, duties and obligations of the LMHC with respect to these agreements, an Assumption Agreement was prepared by the City Solicitor’s office (see attached by-law and assumption agreement).

Service Manager Requirements

The direct management of transferred Rent Supplement programs, outlined within Schedule 1 and Schedule 5 of the HSA Reg. 367/11, prescribes the Service Manager’s responsibility, with regard to transferred social housing programs, to provide rent-geared-to-income (RGI) rent supplements.

In 2001, this function, previously administered by the province, was maintained under the contracted role of the newly created LMHC as part of the City of London Social Housing Transfer Plan. The City retained Service Manager administrative responsibilities over social housing programs and projects. The city’s Housing Division has worked closely with LMHC in funding and overseeing the Rent Supplement and Public Housing programs. This administration included the approval and signing of all Rent Supplement Agreements, Authorizations to Lease, Assumption Agreements and administrative adjustments.

As Service Manager, it is intended that the Director of Municipal Housing, or her/his designate, will continue to approve and execute all on-going Rent Supplement Agreements, Assumption Agreements, Authorization to Lease and administrative adjustments to the Rent Supplement programs (see attached by-law), it being noted that any such designation would occur only in the extended absence of the Director of Municipal Housing and will be undertaken with a letter authorizing the delegation.

London Community Housing Strategy (LCHS)

The LCHS established the need for a new approach to acquiring housing. The LCHS set out service expectations to allow for increased co-ordination and alignment of programs based on the needs of the individual or family and the related supports and service outcomes.

The LCHS also calls for additional rent supplement programs as part of a toolbox approach to establishing multiple long term affordable living solutions. Objective 3.12 notes that the target of 1,200 affordable housing units should include new rent supplements and subsidy programs.

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Investment in Affordable Housing Program (IAH) and Municipal Funding

The development of new housing supplement programs to complement the Rent Supplement program was made possible in part through the bilateral Federal and Provincial IAH program as well as through the revised use of the City's Affordable Housing Reserve Fund.

FINANCIAL IMPACT

Rent Supplement funding is part of the city's current Social Housing Administration budget. Funding for the staff positions will be transferred from the LMHC budget to the Housing Division's Social Housing Administration budget. The two staffing FTEs were approved for transfer to the Housing Division with a corresponding reduction in LMHC's staff complement.

Conclusion

The realignment of the transferred Rent Supplement programs to the City will allow LMHC to maintain its focus on its core functions in the provision of public housing and will allow administrative and customer efficiencies related to accessing affordable housing in London.

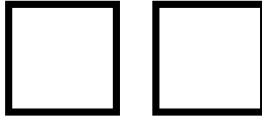
Acknowledgments

The City of London wishes to recognize the dedicated work of the staff and management at LMHC who have taken great care to responsibly, professionally, and consistently manage these supplement programs on behalf of the Service Manager.

This report was prepared with the assistance of S. Giustizia, Manager, Housing Services and reviewed by D. Mounteer, City Solicitor.

RECOMMENDED BY:	CONCURRED BY:
LOUISE STEVENS DIRECTOR OF MUNICIPAL HOUSING	SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIALSERVICES AND DEARNESS HOME

- c. S. Matthew, Executive Director, LMHC
London and Middlesex Housing Corporation Board
- S. Giustizia, Manager, Housing and Social Services
- D. Mounteer, Solicitor City of London
- A.L. Barbon, Manager, C/S Financial & Business Services
- C. Howard, Middlesex County Social Services



Bill No.

By-law No.

A by-law to approve an assumption agreement between The Corporation of the City of London (the City) and the London and Middlesex Housing Corporation for the purpose of establishing the City of London assumption of the Rent Supplement Program and to authorize the Mayor and the City Clerk to execute the agreement.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 23.1(1) of the *Municipal Act, 2001* authorizes the municipality to delegate its powers and duties to a person;

AND WHEREAS it is deemed expedient for The Corporation of the City of London (the "City") to enter into an agreement with the London and Middlesex Housing Corporation to assume the Rent Supplement Program under the Social Housing Program;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. An assumption agreement between the City and the London and Middlesex Housing Corporation for the purpose of assuming the obligations with respect to the City of London Rent Supplement Program be hereby approved.
2. The Mayor and the City Clerk be hereby authorized to execute the assumption agreement approved in section 1, above, substantially in the form of agreement attached to this by-law and to the satisfaction of the City Solicitor.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council , 2013

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First reading -
Second reading –
Third reading –

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THIS AGREEMENT made this day of , 2013

BETWEEN: **THE CORPORATION OF THE CITY OF LONDON**
(hereinafter called "the City")

OF THE FIRST PART

- and -

LONDON AND MIDDLESEX HOUSING CORPORATION
(hereinafter called "LMHC")

OF THE SECOND PART

WHEREAS LMHC has entered into a number Rent Supplement Agreements with various housing providers as identified on Schedule A attached hereto (the "Agreements");

AND WHEREAS the City has agreed to assume the rights, duties and obligations of LMHC with respect to the Agreements;

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and the terms and conditions contained herein, and the sum of TWO (\$2.00) DOLLARS now paid by the City to LMHC (the receipt and sufficiency of which is hereby acknowledged), the City and LMHC agree as follows:

1.0 Assignment

LMHC hereby assigns and the City hereby assumes all of LMHC's rights, duties and obligations contained in the Agreements, subject to the terms and conditions contained therein.

2.0 Agreement to be Bound

The City agrees to be bound by the terms and provisions of the Agreements as of the date of this Agreement.

IN WITNESS WHEREOF the Parties have set the hands of their duly authorized officers as evidenced by their respective corporate seals.

THE CORPORATION OF THE CITY OF LONDON

Joe Fontana, Mayor

Catharine Saunders, City Clerk

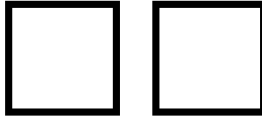
LONDON AND MIDDLESEX HOUSING CORPORATION

Agenda Item #

Page #



Schedule A



Bill No.

By-law No.

A By-law to delegate authority to the Director of Municipal Housing or her/his designate to execute all Rent Supplement Agreements on behalf of the City of London under the Social Housing Program.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 23.1(1) of the *Municipal Act, 2001* authorizes the municipality to delegate its powers and duties to a person;

AND WHEREAS it is deemed expedient for The Corporation of the City of London (the "City") to delegate authority to the Director of Municipal Housing or her/his designate to execute all Rent Supplement Agreements on behalf of the City of London under the Social Housing Program;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Director of Municipal Housing or her/his designate be authorized to execute all Rent Supplement Agreements on behalf of the City under the Social Housing Program.
2. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council , 2013

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First reading -
Second reading –
Third reading –