

TO:	CHAIR AND MEMBERS COMMUNITY & PROTECTIVE SERVICES COMMITTEE MEETING ON SEPTEMBER 22, 2015
FROM:	SANDRA DATARS BERE MANAGING DIRECTOR HOUSING, SOCIAL SERVICES & DEARNESS HOME
SUBJECT:	ASSIGNMENT OF RENTAL COMPONENT OF ADMINISTRATION AGREEMENT FOR THE INVESTMENT IN AFFORDABLE HOUSING FOR ONTARIO (2014 EXTENSION) TO THE HOUSING DEVELOPMENT CORPORATION, LONDON

RECOMMENDATION

That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Managing Director, Housing, Social Services & Dearness Home, the following actions BE APPROVED with respect to the Administration Agreement for the Investment in Affordable Housing for Ontario (2014 Extension) Program, dated October 31, 2014:

- a) Responsibility for the delivery of the Investment in Affordable Housing (2014 Extension) Program Rental Housing component BE ASSIGNED to the Housing Development Corporation, London.
- b) The Mayor BE AUTHORIZED to correspond with the Ministry of Municipal Affairs & Housing requesting the consent for this assignment, as per section 13.23 of said Administration Agreement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Community & Protective Services Committee

Sept 22, 2014 - Investment in Affordable Housing for Ontario (2014 Extension) Approval of Administration Agreement

Strategic Planning & Priorities Committee

April 13, 2015 - Orientation and Update on Housing Development Corporation

BACKGROUND

INVESTMENT IN AFFORDABLE HOUSING FOR ONTARIO

Investment in Affordable Housing for Ontario (IAH) is the federal and provincial program for the creation and repair of affordable housing. The IAH provides flexibility, with accountability, to municipal Service Managers to deliver affordable housing in our communities. The City of London is the Service Manager for the city as well as for Middlesex County. The Ministry of Municipal Affairs and Housing (MMAH) provides guidelines for the various components and program requirements under IAH to facilitate participation by Service Managers. In 2014 the Province announced the latest IAH program, now known as IAH (2014 Extension) also known as IAH-E, which began April 1, 2014 and ends March 31, 2020.

IAH-E ADMINISTRATION AGREEMENT

In order to participate in the IAH-E, the City of London entered into an Administration Agreement with the MMAH on October 31, 2014. The Administration Agreement outlines financial provisions, eligibility criteria, indemnification and repayment provisions, risk management protocols for projects facing difficulties and reporting, auditing and other accountability enforcement provisions.

The IAH-E offers the following program components to Service Managers: Rental Housing; Homeownership; Rent Supplement; Housing Allowance and Ontario Renovates. Service Managers may select which components to deliver each year using the annual funding allocation.

WHAT IS THE HOUSING DEVELOPMENT CORPORATION, LONDON

The Housing Development Corporation, London is a separate entity, under the *Business Corporations Act*, with the City of London as Sole Shareholder. It will have a Council-appointed Board of Directors with industry expertise. The HDC focus will be on the development of affordable housing. Its capital funding will be approved by Council through the municipal budget process

The HDC will work within a shared service agreement with the city, which will retain its role as Service Manager under the *Housing Services Act* for reporting purposes. The HDC will be a mechanism to enhance and better utilize municipal incentives and available federal, provincial, municipal and investor funding. It will be a bringing together of governance tools, existing resources and knowledge to support sustainable development. The HDC role is to take a coordinated approach to the development of affordable housing and the deployment of related funding and resources.

The Housing Development Corporation, London falls within the City of London Corporate Strategic Plan, under “Growing Our Economy”. The HDC will create new partnerships to build affordable housing and support affordable housing development as well as initiate regeneration of London & Middlesex Housing Corporation (LMHC) properties.

RESPONSIBILITIES TO BE ASSIGNED TO HDC UNDER IAH-E

The HDC will assume the City’s current housing development activities, including the delivery of the IAH-E Program Rental Housing component, our municipal Convert-To-Rent/Rehabilitation Program, activities under the municipal Housing Partnership Policy and any future government programs with respect to the creation of affordable housing.

CONSENT FROM MINISTER OF MUNICIPAL AFFAIRS AND HOUSING (MMAH)

In order for the HDC to assume responsibility under IAH-E, Section 13.23 of the current Administration Agreement with MMAH applies: “The Service Manager shall not assign this Agreement without the prior written consent of the Minister, which consent may be withheld, acting in his sole discretion”.

MMAH indicates that a letter from the Mayor, outlining the request, including London City Council approval of the assignment, be sent to Janet Hope, Assistant Deputy Minister, Ministry of Municipal Affairs and Housing. The Ministry will then prepare the assignment agreement for review by our City Solicitor for City Council’s approval.

FINANCIAL IMPACT

The financial impacts associated with the Investment in Affordable Housing Program (2014 Extension) are addressed through the municipal budget process. There are no financial impacts related to this report.

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

- C. D. Mounteer, City Solicitor’s Office
- J. Smout, City Solicitor’s Office
- N. Watson, Housing Development Consultant
- S. Giustizia, Manager, Housing Services
- HDC First Board: A. Zuidema, M. Hayward, S. Datars Bere
- T. Brutto, Southwest MSO, Municipal Affairs & Housing