

<b>TO:</b>	<b>CHAIR AND MEMBERS COMMUNITY and PROTECTIVE SERVICES COMMITTEE MEETING ON, JULY 15, 2020</b>
<b>FROM:</b>	<b>KEVIN DICKINS ACTING MANAGING DIRECTOR HOUSING, SOCIAL SERVICES AND DEARNESS HOME</b>
<b>SUBJECT:</b>	<b>HOUSING QUARTERLY REPORT</b>

<b>RECOMMENDATION</b>
-----------------------

That, on the recommendation of the Acting Managing Director, Housing, Social Services and Dearness Home, that the following actions be taken with respect to this report:

- a) That this report **BE RECEIVED** for information; and,
- b) That this report **BE CIRCULATED** to stakeholders, agencies, and community groups including, but not limited to: Middlesex County, London Housing Advisory Committee, and the London Homeless Coalition.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
--

- Housing Quarterly Report (CPSC: April 28<sup>th</sup>, 2020)
- Municipal Council Approval Of The Housing Stability Plan 2019 to 2024, as Required Under The Housing Services Act, 2011 (CPSC: December 3, 2019)
- City of London Housing Services Review: Proposed Action Plan (SPPC: September 16<sup>th</sup>, 2019)
- Homeless Prevention and Housing Plan 5 Year Review and Update – Process (CPSC: June 17, 2019)

<b>LINK TO STRATEGIC PLAN 2019-2023</b>
---

City Council's 2019 – 2023 Strategic Plan for the City of London identifies 'Strengthening Our Community' and 'Building a Sustainable City' as strategic areas of focus.

The City of London's Housing Stability Action Plan and the City of London's Housing Services Review is aligned with the strategic plan by focusing on increasing affordable and quality housing options for individuals and families, reducing the number of individuals and families experiencing homelessness, and supporting improved access to mental health and addiction services.

<b>OVERVIEW</b>
-----------------

This report is the third Housing Quarterly Report to City Council which intends to provide an update on housing and homeless prevention related activities, including those priorities that were identified through the Housing Stability Action Plan, the Housing Services Review and the Multi-Year Budget, 2020-2023. This report will also provide an update on the impact of COVID-19 on the housing system and current efforts underway to maintain current service levels by adjusting practices.

**HOUSING ACTIVITIES TO DATE**

**COVID-19 Impact to the Housing Stability System**

The COVID-19 pandemic has had significant impact on London’s local economy, labour force, and housing market. In regular conversations with the homeless prevention, housing, and tenant communities, civic administration is learning that the important measures to control the spread of COVID-19 continues to compound housing stability challenges. In addition to the pandemic, Individuals and families in the London-Middlesex community are still facing precarious housing challenges, such as unresolved homelessness, relationship breakdowns forcing, and sudden and unexpected loss of income forcing individuals to look for more affordable housing options. In response, there have been concerted efforts to prioritize and intensifying our work within the Housing Stability Action Plan.

Within the homeless prevention network, the risk of congregate living environments required London’s emergency shelter system and Housing First programs to adjust in-person programming and temporarily rehouse vulnerable members of the community into a mix of housing options. These options include reduced emergency shelter beds, motel beds and an isolation space. These efforts were put in place in order to protect individuals and families experiencing homelessness, and volunteers, community members and staff. Comfort stations were also established within city parks to help individuals sleeping unsheltered to meet their hygiene and hand washing needs. In addition, CIR relaxed its response to urban encampments during the pandemic given the lack of capacity within the emergency shelter system to support these individuals during COVID-19.

Within the social housing community, where the rent is geared to the household’s income, there has been four confirmed cases of COVID-19. Housing providers worked closely with the Middlesex Public Health Unit to resolve these cases. Housing providers also invested in PPE for staff, hospital-grade sanitization practices and e-payment methods for rent collection. There has been an increase in rental arrears. This has mainly been driven by misinformation as it pertains to the current suspension of eviction orders from the Landlord and Tenant Board. There has been a trend of tenants believing their rental obligations are suspended during COVID-19. This is not accurate and the Service Manager is working closely with providers to issue communication to tenants to provide the correct information. The Service Manager is currently working to understand the level of evictions once the suspension is lifted in an effort to mitigate a spike in housing instability.

In terms of measuring impacts of COVID-19 within the housing market, the housing stability system has been working closely with Canada Mortgage and Housing Corporation (CMHC) to share experiences related to the rapidly changing environment. CMHC is actively monitoring markets locally and across Canada with a heightened focus on housing indicators that align with

*What is a ‘Service Manager’ and how is it different than housing providers?*

The Service Manager is responsible for carrying out the funding and administrative responsibilities of the Housing Services Act (HSA) for management of rent-geared-to-income (RGI) housing and affordable housing development.

The Service Manager is primarily responsible for determining RGI eligibility for applicants and issuing capital and operational funding to 64 housing providers, including London Middlesex Community Housing.

The Service Manager delegates some of the HSA responsibilities further to the housing providers, such as calculating a tenant’s rent amount, completing Annual Reviews for eligibility and/or maintaining community policies like guest visitation policies.

In London, the Service Manager of RGI housing and affordable housing is split between Housing Services and HDC, respectively.

those who are experiencing housing instability, but this information is only starting to emerge.

To date, neither CMHC nor those involved in municipal housing services have seen any reduced market pressure for individuals and families experiencing housing instability. Although there has been some relaxing of the very active local housing market as a whole, there is only growing concern that the impact of the pandemic will increase local needs related to accessing housing affordability. The City's Municipal Housing Strategy Table will continue to monitor the market, including through regular updates with CMHC, to identify emerging challenges and, where needed, adjust priorities in efforts to respond. These market factors and any related changes to priorities or local measures will be highlighted in future update reports as this information becomes available.

In terms of issuing funding to support affordable housing development, all new City loans under the Affordable Housing Community Improvement Plan is delayed as a result of the COVID-19 public health emergency. However, loans are still being issued through HDC and CMHC to support affordable housing development. Staff are preparing the documentation and loan administration materials in order to prepare for recovery from COVID and expected demand for these programs.

Moving forward, in terms of COVID-19 recovery planning, the housing stability community will continue to move in lockstep with the City of London, senior governments, and with the Middlesex-London Health Unit. At this time, individuals and households can continue to connect with staff from Homeless Prevention and the Housing Access Centre through telephone or email. Beginning June 15th, LMCH have reopened their office to the public for rent payments and the collection of tenant documents. LMCH staff are following social distancing guidelines to ensure tenants' and staff's safety. The HDC office remains closed to the public, but arrangements can be made by appointment only as staff continue to work remotely.

### Multi-Year Budget – HSAP Impact

Through the multi-year budget process, the housing stability system received \$73.3M in total gross investment to support multiple new initiatives aimed at supporting London and Middlesex's most vulnerable with their housing stability challenges.

Case Ref #	Case Description	Approved Additional Investments				Gross Investment (000's) 2020 - 2023	Net Budget (000's) 2020-2023
		Gross Investment (000's)					
		2020	2021	2022	2023		
2	Affordable Housing CIP	3,187	1,187	195	203	4,772	772
6	Coordinated Informed Response (Homeless Prevention)	1,613	1,655	1,697	1,738	6,703	6,703
7	Core Area Action Plan - Note 1 (Homeless Prevention)	7,200	1,000	1,000	1,000	10,200	4,000
10	HDC Funding for Affordable Housing	500	770	1,080	1,300	3,650	3,650
12	LMCH Infrastructure Gap	1,792	3,042	4,542	6,142	15,518	5,000
18	CMHC Co Investment	4,973	5,030	5,084	5,142	20,229	7,777
19	LMCH Operating Staffing & Security	1,306	1,651	1,872	2,112	6,941	5,675
21	LMCH Regeneration (Housing)	500	500	1,750	2,500	5,250	5,250
<b>Total</b>		<b>21,071</b>	<b>14,835</b>	<b>17,220</b>	<b>20,137</b>	<b>73,263</b>	<b>38,827</b>

Note 1 Portion of Core Area Action Plan Associated with Housing

## HOUSING STABILITY ACTION PLAN – IMPLEMENTATION UPDATE

### Housing Stability Action Plan – Implementation Update & COVID-19

Since City Council received their last update with regards to the HSAP in April 2020, Civic Administration has adjusted the implementation of the plan to adjust for current needs within the community as it relates to COVID-19 pressures. Civic administration continues to work within a City-wide working group with the intention of supporting the delivery of priority actions for each service and expected timelines. Civic Administration also continues to meet with key partners from our homeless prevention sector and housing sector to support their potential contributions to HSAP.

The following provides an overview of initiatives and progress as it relates to the four strategic pillars of the HSAP, the Housing Services Review and the Multi-Year Budget

(Schedule 1).

### **Respond to the Homeless Crisis**

#### **Coordinated Informed Response- HSAP Alignment: 1.2.b.; 1.2.c; 1.4.c.**

- London's Coordinated Informed Response works with multiple service areas and organizations to support individuals who are street involved, sleeping rough and urban camping in finding safe alternative solutions focused on housing.
  - Response partners include London Police Service, London Cares and City Services such as Homeless Prevention, Municipal Bylaw Enforcement, Parks, Roads and Transportation, Social Services, Corporate Security and Service London.
  - The program started as a 16-week pilot program in September 2018, however, with investment provided through the multi-year budgetary process, this program will continue until 2023.
- With approval through the Multi-Year Budget process, the services offered through the pilot will become longer term programming managed by Homeless Prevention.
- CIR continues to provide a caring and compassionate response to the unpredictable and disruptive behaviours of individuals experiencing unsheltered homeless in London aimed at connecting individuals with the right supports and the right housing.
- CIR is establishing a greater working relationship with our community businesses and partners to work toward community strong solutions; this includes actively supporting the Core Area Action Plan (CAAP),
- With additional staff, CIR has expanded to be able to serve a greater area of London, based on need and demand.
- Additional staff include Outreach workers, Bylaw Officers, Roads Crew members and a Housing Navigator.
- Through knowledge gained due to interactions with CIR, the program able to adapt and strengthen the strategies and actions needed to better serve all community members of London.

### **Create More Housing Stock**

#### **Community Improvement Plan (CIP) for Affordable Housing- HSAP Alignment: 2.1.c**

- The Affordable Housing CIP allows the City to take certain actions that are otherwise not permitted by Provincial legislation, including offering City incentive programs to private businesses.
- To encourage the development of affordable housing units and additional residential units (formerly known as "secondary dwelling units") the CIP includes two (2) loan programs.
- Affordable Housing CIP - Business Case # 2 – was approved in the multi-year budget with a gross investment of \$4.8 million. Of the \$4.8 million \$4 million will fund the program in the form of a revolving loan fund.
- The CIP programs are also considered the City's contribution for the purposes of Federal "co-investment" funding programs offered by the Canada Mortgage and Housing Corporation (CMHC).
  - Therefore the CIP programs may allow applicants access to additional Federal affordable housing funding.

- As a result of COVID-19, loans have yet to be issued, however this funding is expected imminently as part of COVID recovery and the ongoing need for affordable housing in the community.

**Housing Development Corporation Funding for Affordable Housing - HSAP Alignment: 2.1.a**

- HDC [reported to the shareholder](#) in June 2020 with updates and ongoing future plans. This report also attracts HDC activities related to Housing Stability for All Plan and the City’s Multi-Year Strategy.
- Subsequent to this report, HDC has closed on its purchase for the former surplus school land on 18 Elm Street, London.
- HDC continues to be on track with meeting its goals and objectives to assist in creating approximately 100 units per year of affordable housing.
- HDC recently approved funding for [744 Dundas Street](#), London which will provide 72 units of specialized housing with supports.

**LMCH Housing Infrastructure Gap**

- City Council approved Business Case # 12 - LMCH Infrastructure Gap in the multi-year budget with a gross investment of \$15.52 million.
- This initiative will increase capital investment to LMCH assets and reduce the size of the infrastructure gap.
- LMCH’s Board of Directors approved allocating Business Case #12 funding under the LMCH 2020 Capital Budget.
- The 2020 Capital Budget funds 32 new high priority capital projects including boiler replacement, elevators, life safety systems and generator replacement.

**LMCH application for CMCH Co-Investment Funding**

- City Council approved Business Case # 18 – LMCH Co-Investment with Canadian Mortgage and Housing Corporation (CMHC) in the multi-year budget with the City providing a gross investment of \$7.78 million.
- This investment is crucial to LMCH’s ability to secure funding from CMHC.
- Investment will focus on improvements to energy efficiency, accessibility, and building condition and will focus on seven (7) high rise and five (5) town house sites.
- LMCH awarded a contract for preliminary engineering review and energy modelling of proposed projects with work commencing in June.
- LMCH anticipates spending for the engineering and energy modeling to start in late July.
- Additional expenditures for further project preparation are expected in late Q3 and early Q4.

How is rent-geared-to-income housing different than affordable housing?

When the housing sector is working well, the marketplace should be able to meet most people’s housing needs.

But not everyone has the financial means to access the housing market. In these cases, governments, community organizations, non-profits and the private sector work together to provide affordable housing.

The terms ‘affordable housing’ and ‘social housing’ are often confused.

While all social housing is affordable, the term ‘social housing’ refers more specifically to rent-geared-to-income housing that is subsidized by a level of government.

Affordable housing is a much broader term and includes housing that is below average market rent provided by the private, public and not-for-profit sectors.

### **Regeneration of LMCH - HSAP Alignment: 2.2.a**

- LMCH Regeneration was approved in the multi-year budget with a gross investment of \$5.3 million.
- These additional funds are intended to accumulate sufficient capital to cash flow the first stage of development
- Regeneration is planned to be a multi-phased approach with approximately 20 units completed per phase. LMCH's target is the completion of 50 units by 2023.
  - Anticipation of new units and timelines are subject to funding, site feasibility, and the compatibility for intensification in the surrounding neighbourhood. LMCH, HDC and the City are working together to ensure maximum value and minimize any impacts to tenants and communities.
- LMCH identified three sites as candidates for regeneration based upon social, financial, asset management, and planning metrics.
- LMCH is developing internal policies such as Tenant Relocation Policy, Affordable Rental Rate, Eligibility Policy, and Tenant Engagement Strategy that will guide development and related operational decisions.
- LMCH and HDC are developing site-specific goals and financial models to provide a framework for community sustainability.

### **Provide Housing Supports**

#### **LMCH Increasing Operating Staff and Security - HSAP Alignment: 3.4.c.**

- LMCH Operating Staffing and Security was approved in the multi-year budget with a gross investment of \$6.9 million.
- This initiative will add 25 staff to strengthen LMCH across various departments.
- Over the next four years, LMCH will strengthen staff in Security (4), Tenant Services (6), Property Services (11), Finance and IT (3), and Community Development (1).
- The immediate focus of the organization is to enhance security to relieve strain on Police and site staff at high acuity buildings by providing increased tenant services through reductions in Community Relations Workers (CRWs) caseload, increased maintenance staffing to address work orders and a continuation of managing vacancy levels efficiently.
- The important measures to control the spread of COVID-19 has delayed LMCH's hiring process.
- LMCH has opened competitions for Security Manager, Community Relations Worker, Procurement Officer, Human Resources Assistant, Information Systems Coordinator, and Project and Facilities Coordinator.

#### **Canada-Ontario Housing Benefit - HSAP Alignment: 3.4.c.**

- The Canada-Ontario Housing Benefit (COHB) is a portable financial benefit program where grant funding is paid directly to low-income households that are on, or eligible to be on, the centralized social housing waiting list, and to households in financial need living in private market housing.
- COHB is an alternative for households looking to enter into social housing, as the recipient is able to use COHB funding to help make their private rental market unit more affordable.
- COBH is jointly funded by the federal and provincial governments as announced through the National Housing Strategy.

- In alignment with the City of London’s Strategic Plan 2019-2023, the Housing Stability Action Plan, and the Core Area Action Plan, COHB funding was allocated towards the following program priority groups in Year 1 and 2 of the program:
  - Survivors of domestic violence and human trafficking; and,
  - Persons experiencing or at-risk of homelessness.
- As of June 25<sup>th</sup>, 47 COHB benefits have been allocated to households within the priority groups. Civic administration anticipates that current funding will enable London to issue approximately 200 COHB benefits.
- The COHB monthly entitlement is averaging at approximately \$500 per household.
- The important measures to control the spread of COVID-19 has presented challenges regarding the increased uptake of this program, including difficulties gathering documentation amid business closures, limited vacant units on the market to rent due to the lack of unit turnover, and difficulties getting information to clients without a fixed address.
  - Civic administration, in partnership with the homeless prevention network and violence-against-women sector, will continue to find creative and flexible means to continue to grow the COHB program.

**Transform System Service**

**Full Operational Review of LMCH’s vacancy and unit restoration progress - HSAP Alignment: 3.4.c.**

- LMCH continues to improve its vacancy process and tenant placement activities.
- LMCH has increased the number of units where repairs or restoration have been completed, thus increasing the active rental stock.
- As of June 18<sup>th</sup>, the vacancy rate with LMCH for rentable units was 2% in active rental stock and a total vacancy rate of 3.6%, with the goal of reaching a 2% active repair and a 3% total vacancy rate.
- Despite the restrictions of COVID-19 and operating on a reduced staffing model, LMCH prioritized repair and restoration of vacant units.
  - LMCH restored 81 units from March – May of 2020.
- As of June 18<sup>th</sup>, LMCH achieved 1.6% of units in active repair, surpassing the target of 2%.

**NEXT STEPS**

All related housing services areas will continue to deliver core operational responsibilities, as well as continue to shift operations to mitigate COVID-19 disruption and align with the recommendations within the Housing Service Review and the Housing Stability Action Plan

The next update for City Council is currently scheduled for October 6<sup>th</sup>, 2020.

<b>SUBMITTED BY:</b>	<b>RECOMMENDED BY:</b>
<b>DOUG CALDERWOOD-SMITH MANAGER, STRATEGIC PROGRAMS AND PARTNERSHIPS</b>	<b>KEVIN DICKINS ACTING MANAGING DIRECTOR, HOUSING, SOCIAL SERVICES AND DEARNESS HOME</b>

- CC:  
Dave Purdy, Manager, Housing Services  
Craig Cooper, Manager, Homeless Prevention  
Gregg Barrett, Director, City Planning and City Planner  
Bryan Baar, Senior Business Administrator  
Stephen Giustizia, CEO, Housing Development Corporation, London  
Andrea Mackenzie, CEO, London Middlesex Community Housing



## SCHEDULE 1



### Housing Stability for All – Strategic Pillars

- The Housing Stability Action Plan sets a strategic vision of Housing Stability for All.
- Within the vision, there are four strategic areas of focus noted above.
  - Each strategic area of focus has a goal, result, strategies, actions, and measures that will guide the work of the community now and in the future.
- It is important to note that these pillars are interconnected and must be advanced in unison to advance the objectives of the Plan.