

## Report to Community and Protective Services Committee

**To:** CHAIR AND MEMBERS  
COMMUNITY AND PROTECTIVE SERVICES COMMITTEE

**From:** GEORGE KOTSIFAS, P. ENG.  
DEPUTY CITY MANAGER, PLANNING AND ECONOMIC DEVELOPMENT

**Subject:** CANADA-ONTARIO COMMUNITY HOUSING INITIATIVE (COCHI) AND ONTARIO  
PRIORITIES HOUSING INITIATIVE (OPHI) APPROVAL OF ONTARIO TRANSFER  
PAYMENT AMENDING AGREEMENT

**Date:** AUGUST 31, 2021

## Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development, that the following actions Be Taken:

- 1) The attached proposed by-law (Appendix “A”) BE INTRODUCED at the Municipal Council meeting to be hold on September 14, 2021 to:
  - (a) Authorize and approve an Amending Agreement between The Corporation of the City of London and Her Majesty the Queen in right of Ontario as represented by The Ministry of Municipal Affairs and Housing substantially in the form attached as (Schedule “A” to the by-law) and satisfactory to the City Solicitor, for the purpose of approving the Ontario Transfer Payment Amending Agreement for the Canada-Ontario Community Housing Initiative and Ontario Priorities Housing Initiative;
  - (b) Authorize the Mayor and the City Clerk to execute the Agreement authorized and approved in part a), above; and
  - (c) Authorize the Deputy City Manager, Planning and Economic Development, or their written designate, to approve and execute such further and other documents, including an Investment Plan and including agreements, that may be required in furtherance of this Agreement.

## Executive Summary

On August 16, 2021, The Ministry of Municipal Affairs and Housing announced an additional \$21 million of COCHI funding for the 2021-2022 period. The funding is intended to support community housing providers across Ontario, including the state of repair of the aging social housing stock. COCHI funding helps sustain, repair and grow the community housing sector.

As a result of the additional COCHI investment, the City of London will receive an additional \$465,300 COCHI funding for the 2021-2022 fiscal year. This funding is in addition to the original 2021-2022 COCHI allocation of \$1,958,512, brining the City of London’s 2021-2022 COCHI allocation to \$2,423,812.

## Linkage to the Corporate Strategic Plan

### 2019-2023 Strategic Plan for the City of London

Administering the Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) Amending Agreement links to the Corporate Strategic Plan’s key area of focus of Strengthening Our Community, specifically:

- Increase Affordable and Quality of Housing Options; and
- Reduce the Number of Individuals and Families Experiencing Chronic Homelessness or At Risk of Becoming Homeless

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

- Community & Neighbourhoods Committee – October 18, 2011 – Investment in Affordable

- Housing for Ontario, Approval of Administration Agreement
- Community & Protective Services Committee – August 24, 2014 – Recommendations for Proposals Under Investment in Affordable Housing (IAH) Program Year 4 and IAH (2014 Extension)
- Community & Protective Services Committee – September 22, 2014 – Investment in Affordable Housing for Ontario (2014 Extension), Approval of Administration Agreement
- Community & Protective Services Committee – September 22, 2014 – Assignment of Rental Component of Administration Agreement for the Investment in Affordable Housing for Ontario (2014 Extension) to the Housing Development Corporation, London
- Community & Protective Services Committee – July 19, 2016 – Approval of Service Manager Administration Agreement for the 2016 Social Infrastructure Fund (SIF) and Pending Assignment to HDC
- Community & Protective Services Committee – July 18, 2017 – Delegation of the Rental Housing Component of the Provincial Service Manager Administration Agreements for the Development of Affordable Housing to the Housing Development Corporation, London (HDC)
- Community & Protective Services Committee – June 17, 2019 – Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) Approval of Ontario Transfer Payment Agreement

## 2.0 Discussion and Considerations

### 2.1 Purpose

The City of London as the Service Manager for London as well as for Middlesex County, has received an additional \$465,300 in COCHI funding for the 2021-2022 period. In order to receive this additional funding, the City of London is required to enter into the Amended Transfer Payment agreement with the province and submit an Investment Plan by September 15, 2021.

### 2.2 Background

The Service Manager is required to develop and submit an Investment Plan that outlines how the funding allocation will be used during the 2021-2022 funding period. The Investment Plan is intended to outline the broad activities to be taken, the amount of funding to be used, and the amount requested for administration.

COCHI funding focuses on providing the opportunity for Service Managers and housing providers (including public housing) to protect tenants in projects reaching the end of their operating agreements and/or mortgage maturity and to begin stabilizing the supply of community housing through new development, repairs, renovations, and operating support.

Housing providers/projects that receive funding under the COCHI Capital Component must remain affordable for a ten (10) year period after the completion of the funded retrofit work, including a minimum of five (5) years during which it will continue to operate as a social housing provider under the *Housing Services Act, 2011*.

The components of COCHI include:

#### New Development and Repair

New development and capital repair project eligibility criteria supports both community housing providers and Local Housing Corporations (public housing).

Service Managers are encouraged to utilize COCHI funding for strategic capital repairs which preserve and extend the functional lifespan of the social housing supply, such as investments based on capital needs identified in current building condition audits and that help support ongoing housing provider sustainability.

Eligible repair work could include:

- Replacing and/or repairing core building systems, and sub-systems (e.g. heating and/or cooling, leaking roof systems, water issues, structural repairs, etc.); and
- Carrying out health and safety repairs (e.g., accessibility renovations).

#### Rent Supplements

A rent supplement is a subsidy paid to the landlord on behalf of a household in need of rental assistance.

Providing rent supplements is intended to promote housing stability for tenants who would otherwise face affordability challenges.

### Transitional Operating Funding

COCHI funding may also be used as a short-term transitional operating subsidy. The expectation is that housing providers would use this funding to address immediate areas of concern with the clear objective of reaching an operational and financial status that does not require an ongoing government subsidy but could transition to a rent subsidy agreement that is not an ongoing subsidy.

The following represents the current approved Investment Plan:

COCHI Component	2021-2022
New Build	
Repair	\$1,360,586
Housing Supplements	150,000
Transitional Operating (End Of Agreement Support)	350,000
Administration (5% Max)	97,926
<b>Total</b>	<b>\$1,958,512</b>

The following represents the Investment Plan template and the various program components required for completion and submission by September 15, 2021:

COCHI Component	2021-2022
New Build	TBD
Repair	TBD
Housing Supplements	TBD
Transitional Operating (End Of Agreement Support)	TBD
Administration (5% Max)	TBD
<b>Total</b>	<b>\$465,300</b>

Civic Administration is working to complete the required Investment Plan submission by the ministry's due date of September 15, 2021. Civic Administration will report back at a future committee meeting with pertinent developments related to the additional COCHI funding.

## **3.0 Financial Impact/Considerations**

### **3.1 Funding**

Funding for the COCHI is funded 100% by the Province however the COCHI program guidelines require municipal social housing expenditures, to at a minimum, match the total annual COCHI allocation provided. The municipal expenditures included in the 2020-2023 Multi-year Budget are sufficient to meet the program matching requirement resulting in no financial impact to the City's budget.

Service Managers may use up to 5% of the additional COCHI funding to assist with the administration cost of the program.

**Prepared and Submitted by:** Dave Purdy, Manager, Housing Services, Planning and Economic Development  
**Recommended by:** George Kotsifas, P. Eng., Deputy City Manager, Planning and Economic Development