



Alternative formats and communication supports available upon request. Please contact accessibility@brantford.ca or 519-759-4150 for assistance.

Date April 10, 2024 **Report No.** 2024-248

To Chair and Members
Social Services Committee

From Brian Hutchings
Chief Administrative Officer
Acting Commissioner Community Services and Social Development

1.0 Type of Report

Consent Item	<input checked="" type="checkbox"/>
Item For Consideration	<input type="checkbox"/>

2.0 Topic Service Manager Notification – Potential Funding Impact [Financial Impact: None]

3.0 Recommendation

- A. THAT Report 2024-248 Service Manager Notification – Potential Funding Impact BE RECEIVED; and
- B. THAT the City Clerk BE DIRECTED to forward a copy of the final resolution and staff report to the County of Brant, the Member of Provincial Parliament for Brantford-Brant Will Bouma, the Member of Parliament for Brantford-Brant, Larry Brock, and the Member of Parliament for North Brant, Bryan May.

4.0 Executive Summary

The City of Brantford is the designated Service Manager for Housing and Homelessness under the *Housing Services Act*, 2011 for the City of Brantford and the County of Brant.

On March 25, 2024, notification was provided by the Ministry of Municipal Affairs and Housing (MMAH) to the City of Brantford advising that there may be significant impact in financial funding by MMAH to the Service Manager effective April 1, 2024 as the federal government is considering withholding almost \$355 million in funding from Ontario, and by extension municipal Service Managers, under the National Housing Strategy (NHS).

The Province of Ontario and the CMHC Bilateral Agreement regarding the National Housing Strategy includes three provincially-administered initiatives to support provincial housing priorities: the Canada-Ontario Community Housing Initiative (COCHI), the Ontario Priorities Housing Initiative (OPHI), and the Canada-Ontario Housing Benefit (COHB).

On April 3, 2024, MMAH issued an update to the Service Manager on housing programs administered under the NHS advising that the province has been unable to reach an agreement with the federal government and that MMAH will be contacting the Service Manager as soon as possible with updates on next steps related to the implementation of COCHI, OPHI and COHB programs and that for the time being, planning allocations [as previously communicated] for 2024-25 are unconfirmed.

As a result of this notification, staff have paused finalizing the 2024-25 Fiscal Year Investment Plan (IP) recommendations to Social Services Committee for both Reaching Home (RH) federal grant funding and Homelessness Prevention Program (HPP) provincial grant funding as the full financial impacts to the Service Manager are currently unknown. The intent of pausing the IP recommendations is to allow for staff to determine whether HPP or RH funding can be used to offset any impacted funding reductions from the province once full information is provided from MMAH.

Staff were prepared to deliver reports to Social Services Committee in April 2024 with recommendations for consideration regarding the RH and HPP IPs and will bring them forward once additional information regarding impacts to funding are confirmed by MMAH and IP recommendations are finalized.

5.0 Purpose and Overview

The purpose of this report is to advise members of Social Services Committee of the urgent Service Manager notification received from MMAH on March 25, 2024.

6.0 Background

The City of Brantford is the designated Service Manager for Housing and Homelessness under the *Housing Services Act*, 2011 for the City of Brantford and the County of Brant. Service Managers are financially dependent on federal and provincial funding streams in order to deliver housing and homelessness programs and services to residents within the Service Manager area.

In November 2017, the federal government released the [National Housing Strategy](#)¹ (NHS). The NHS is a 10-year plan that sets out a renewed federal-provincial partnership to work together to achieve targets and outcomes, increase access to housing, reduce housing need and achieve better housing solutions across the spectrum.

On April 30, 2018, the Province of Ontario and the Canada Mortgage and Housing Corporation signed a [Bilateral Agreement](#) regarding the National Housing Strategy.

This agreement provides an opportunity to align federal funds with Ontario's [Community Housing Renewal Strategy](#)² priorities and leverages the federal government investments under the National Housing Strategy to help achieve the goals and objectives of Ontario's Community Housing Renewal Strategy.

On December 19, 2019, the federal and provincial governments announced the signing of an [Addendum to the Bilateral Agreement](#) that included the mutually agreed-upon program design parameters for the Canada-Ontario Housing Benefit (COHB) program.

The Province of Ontario and the CMHC Bilateral Agreement regarding the National Housing Strategy includes three provincially-administered initiatives to support provincial housing priorities: the Canada-Ontario Community Housing

¹ [Canada's National Housing Strategy](#) is a 10-year plan to help Canadians access housing that meets their needs and that they can afford.

² Ontario's Community Housing Renewal Strategy is a multi-year plan to stabilize and grow Ontario's community housing sector, with the aim of achieving: increased supply and appropriate mix of affordable and adequate housing; improved access to affordable housing and supports that meet their needs to achieve housing stability; and improved efficiency of the community housing system to ensure value for money and long-term sustainability.

The Community Housing Renewal Strategy is complemented by the [Housing Supply Action Plan](#), which is focused on enhancing housing affordability in the broader housing market. Creating more housing, of the types and sizes people need, will help make home ownership and renting more affordable and give people more choice.

Initiative (COCHI), the Ontario Priorities Housing Initiative (OPHI), and the Canada-Ontario Housing Benefit (COHB).

[Report 2023-300 COCHI, OPHI and COHB Planned Program Funding Allocations](#) provided an in-depth overview of these funding streams and reported on the projected funding allocations for 2023-24 and 2024-25 Fiscal Years.

Table 1 - Planning Allocation Amounts

Program	Planning Allocation Amounts	
	2023-24 Fiscal Year Confirmed	2024-25 Fiscal Year Planned
Canada-Ontario Community Housing Initiative (COCHI)	\$1,258,200	\$1,711,500
Ontario Priorities Housing Initiative (OPHI)	\$755,300	\$728,800
Total	\$2,013,500	\$2,440,300

On August 17, 2023, the Ministry of Municipal Affairs and Housing confirmed the funding allocation amounts for fiscal year (FY) 2023-24 and the planned allocation amounts for FY 2024-25.

By way of Report 2023-227 *COCHI and OPHI Investment Plan*, staff provided a detailed COCHI-OPHI Investment Plan (IP) for approval that realized significant financial investments for the 2023-24 and 2024-25 Fiscal Years by the Service Manager:

- A total investment of \$1.82M COCHI funding for strategic capital repairs to preserve and extend the lifespan of the current community housing supply;
- An investment of \$300,000 COCHI funding towards rent supplements to complement the Strong Community Rent Supplement Program that is funded by the provincial Homelessness Prevention Program funding;
- \$700,000 in COCHI Transitional Operating funding for housing providers in the Service Manager area to address immediate areas of concern such as asset management and business operations;
- \$1.27M committed in OPHI towards the Ontario Renovates program to financially assist low to moderate income homeowner households complete eligible home repairs and for landlords of eligible affordable

rental buildings and community housing providers to rehabilitate units that require essential repairs; and

- Committing \$140,000 of OPHI as part of the work being done in partnership with Brantford Native Housing in order to providing housing support services to Indigenous households experiencing housing stability.

On September 18, 2023, the Ministry of Municipal Affairs and Housing announced that Ontario is investing an additional \$42 million in 2023-24 through the Canada-Ontario Housing Benefit (COHB) program to support municipalities across the province provide immediate housing support.

MMAH indicated that the revised additional funding allocation is based on provincial social assistance data and is reflective of the estimated share of asylum claimants in a Service Manager area and relative impact on local services. The updated 2023-24 COHB allocation was as follows:

Table 2 - COHB Allocation

Original Base Funding (2023-24)	Additional Funding (2023-24)	Total Funding (2023-24)
\$317,000	\$317,000	\$634,000

The 2023-24 COHB allocation to the City of Brantford has been fully expended and no information has been received about 2024-25 FY allocations.

Under the Bilateral Agreement, the province of Ontario has responsibilities to the federal government in setting, reporting on, and achieving targets.

On March 25, 2024, notification was provided by the Ministry of Municipal Affairs and Housing (MMAH) to the City of Brantford as the Service Manager for Housing and Homelessness advising that there may be significant impact in financial funding by MMAH to the Service Manager effective April 1, 2024 as the federal government is considering withholding almost \$355 million in funding from Ontario, and by extension municipal Service Managers, under the National Housing Strategy (NHS).

On April 3, 2024, MMAH issued an update to the Service Manager on housing programs administered under the NHS advising that the province has been unable to reach an agreement with the federal government and that MMAH will be contacting the Service Manager as soon as possible with updates on next steps related to the implementation of COCHI, OPHI and COHB programs and

that for the time being, planning allocations [as previously communicated] for 2024-25 are unconfirmed.

7.0 Corporate Policy Context

[2023-2026 City of Brantford Council Priorities:](#)

4. Create a vision and strategy for managing development and affordable housing;

6 (b). Invest in a long-term strategy and plan to manage the homelessness crisis, inclusive of the related issues of mental health and addiction issues and safety and security concerns.

[County of Brant Strategic Plan 2019 – 2023](#), Strategic Priority 5, Healthy, Safe, and Engaged Citizens

[Brantford-Brant Housing Stability Plan \(2014-2024\)](#)

8.0 Input From Other Sources

Ministry of Municipal Affairs and Housing (MMAH)

9.0 Analysis

The federal government is considering withholding almost \$355 million in funding from Ontario, and by extension municipal Service Managers, under the National Housing Strategy (NHS).

In a letter dated March 21, 2024 by the federal Minister of Housing, Infrastructure and Communities to the provincial Minister of Municipal Affairs and Housing (**Appendix A**), the federal government provided notice that should Ontario fail to provide a revised plan demonstrating how it intends to meet its housing targets under the bilateral housing agreement, the Province will not receive \$353 million dollars intended for affordable housing from the federal government.

The federal government indicated that Ontario's draft 2022-25 Action Plan fails to meet the commitments of:

- Expanding the number of new affordable housing units in Ontario by 19,660;

-
- Set annual targets through publicly available 3-year Action Plans; and
 - Report on progress on both the annual and 9-year target.

According to the letter from the federal government, the province had until end of day March 22, 2024 to resubmit an action plan or bilateral funding will lapse.

On March 25, 2024, notification was provided by the Ministry of Municipal Affairs and Housing (MMAH) to the City of Brantford as the Service Manager for Housing and Homelessness advising that there may be significant impact in financial funding by MMAH to the Service Manager effective April 1, 2024 **(Appendix B)**.

At the time, no further details were provided on whether the province met the March 22 deadline to resubmit an Action Plan or which financial funding streams would be impacted and by how much.

In a letter dated March 26, 2024, the Association of Municipalities of Ontario (AMO) expressed deep concern and advocated on behalf of Ontario's municipalities to the federal Minister of Housing, Infrastructure and Communities to urge against any cuts to federal funding for affordable housing **(Appendix C)**. AMO is urging the federal government to work with the province to develop an NHS Action Plan that works for all parties without penalizing Ontario's most vulnerable citizens.

Representatives from the Ontario Municipal Social Services Association (OMSSA) secured a meeting with the provincial Deputy Minister of Municipal Affairs and Housing on April 2, 2024 to discuss the NHS funding cuts and the City submitted information as requested by OMSSA to express the impact this cut will have on municipalities if it occurs.

On April 3, 2024, MMAH issued an update to the Service Manager on housing programs administered under the NHS advising that the province has been unable to reach an agreement with the federal government and that MMAH will be contacting the Service Manager as soon as possible with updates on next steps related to the implementation of COCHI, OPHI and COHB programs and that for the time being, planning allocations [as previously communicated] for 2024-25 are unconfirmed.

10.0 Financial Implications

There are no direct financial implications with this report. However, any reduction in funding will significantly impact the Service Manager.

The Province of Ontario and the CMHC Bilateral Agreement regarding the National Housing Strategy includes three provincially-administered initiatives to support provincial housing priorities: the Canada-Ontario Community Housing Initiative (COCHI), the Ontario Priorities Housing Initiative (OPHI), and the Canada-Ontario Housing Benefit (COHB).

As communicated by MMAH to the Service Manager, the planned funding allocations from COCHI and OPHI streams for FY 2024-25 was in the amount of \$2,440,300.

On April 3, 2024, MMAH issued an update to the Service Manager on housing programs administered under the NHS advising that the province has been unable to reach an agreement with the federal government and that MMAH will be contacting the Service Manager as soon as possible with updates on next steps related to the implementation of COCHI, OPHI and COHB programs and that for the time being, planning allocations [as previously communicated] for 2024-25 are unconfirmed.

Staff had planned for utilizing 2024-25 COCHI/OPHI funding for significant investments in preserving community housing, funding rent supplements, providing financial assistance to low-income home owners for home repairs and eligible landlords to rehabilitate units, and housing support services to Indigenous households.

As a result of this urgent Service Manager notification, staff have paused finalizing the 2024-25 FY Investment Plan (IP) recommendations to Social Services Committee for both Reaching Home (RH) federal grant funding and Homelessness Prevention Program (HPP) provincial grant funding as full financial impacts to the Service Manager are currently unknown.

Staff were prepared to deliver reports to Social Services Committee in April 2024 with recommendations for consideration regarding the RH and HPP IPs and will bring them forward once additional information regarding impacts to funding are confirmed by MMAH and IP recommendations are finalized.

The intent of pausing the IP recommendations is to allow for staff to determine whether HPP or RH funding can be used to offset any impacted funding

reductions from the province once full information is provided from MMAH. Staff are concerned however as these funding streams have specific program requirements and note that financial resources are already being maximized to support homelessness prevention and housing stability programming.

Additionally, the Reaching Home federal funding allocation to the City of Brantford has decreased by \$50,680 for the 2024-25 FY.

11.0 Climate and Environmental Implications

There are no direct climate and environmental implications with this report.

12.0 Conclusion

Municipalities rely on National Housing Strategy funding to make critical investments to both preserve existing social housing stock and create new supply. Withholding \$355 million in funding under NHS will have substantial impacts across the province and locally.

The City of Brantford is the designated Service Manager for Housing and Homelessness in the City of Brantford and the County of Brant.

On March 25, 2024, notification was provided by the Ministry of Municipal Affairs and Housing (MMAH) to the City of Brantford advising that there may be significant impact in financial funding by MMAH to the Service Manager effective April 1, 2024 as the federal government is considering withholding almost \$355 million in funding from Ontario, and by extension municipal Service Managers, under the National Housing Strategy (NHS).

On April 3, 2024, MMAH issued an update to the Service Manager on housing programs administered under the NHS advising that the province has been unable to reach an agreement with the federal government and that MMAH will be contacting the Service Manager as soon as possible with updates on next steps related to the implementation of COCHI, OPHI and COHB programs and that for the time being, planning allocations [as previously communicated] for 2024-25 are unconfirmed.

While there are no direct financial implications with this report, as a result of this notification from MMAH, staff have paused finalizing the 2024-25 FY Investment Plan (IP) recommendations to Social Services Committee for both Reaching Home (RH) federal grant funding and Homelessness Prevention Program (HPP)

provincial grant funding as full financial impacts to the Service Manager are currently unknown.



Brian Hutchings
Chief Administrative Officer

Prepared By:

Mary Musson, CD, BA (Hons), Dipl MM
Director, Housing and Homelessness

Attachments (if applicable):

Appendix A – Letter from the Federal Government to the Province of Ontario

Appendix B – Urgent Service Manager Notification-Brantford

Appendix C – AMO Letter to the Federal Government

Copy to: N/A

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required ☐ yes ☒ no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk ☐ yes ☒ no

Is the necessary by-law or agreement being sent concurrently to Council? ☐ yes ☒ no