



# Committee Report

**To:** Councillor Robert Buckle, Chair and  
Members of the Human Services Committee

**From:** Christine MacDonald  
Director of Human Services

**Date:** May 19, 2022

**Re:** Municipal Rent Supplement and Housing Allowance Analysis

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## Staff Recommendation:

The Municipal Rent Supplement and Housing Allowance Analysis report is for information.

## Background:

Affordable Housing is a major focus of all levels of government. Bruce County staff continue to use the 2019-2023 Housing & Homelessness Plan update to guide their work. As well, provincially there have been recommendations, programs and legislation guiding this work, including:

- [More Homes, More Choice: Ontario's Housing Supply Action Plan](#),
- [Community Housing Renewal Strategy](#),
- [Protecting Tenants and Strengthening Community Housing Act, 2020](#), and the
- [Ontario Housing Affordability Task Force](#).

In addition, Bruce County continues to monitor and support the advancement of other initiatives and efforts to address affordable housing. In April the Ministry released information on the Homelessness Prevention Program, a consolidation of various ministry programs. Additionally, the province released the Social Service Relief Fund Phase 5.

## Rent Supplement & Housing Allowance

During the Human Services Committee Meeting on February 17<sup>th</sup>, 2022, staff were directed to produce a report with recommendations for an enhanced rent supplement or housing allowance program with considerations on how to reach more people.

Rent supplements and Housing Allowances are government or municipally funded payments that attempt to bridge the gap between what an individual or family can afford to pay and what the actual cost of housing is. Rent supplements are often referred to as a practical way to provide affordable housing faster than building new units. The rent supplement and housing benefit programs have provided a valuable resource to social assistance recipients, low-income earners and seniors.

**Housing Allowance** - offers a subsidy directly to a tenant who is eligible to receive the benefit. Payment is issued directly to the individual to use to support their housing costs.

**Canada Ontario Housing Benefit (COHB)** - the Canada Ontario Housing Benefit is part of the bi-lateral agreement between the Federal and Provincial governments. The COHB is administered by the Ministry of Finance directly to eligible low-income households. Payment is issued directly to the tenant. The COHB is portable, and the recipients are eligible if they move anywhere in Ontario.

Bruce County recently received its 2022-2023 Canada Ontario Housing Benefit (COHB) funding allocation of \$192,500. This new funding will assist between 42 and 55 applicants currently on the community housing registry wait list.

**Rent Supplement** - offers eligible individuals or households a rent subsidy to their landlord while living in privately owned buildings. Rent supplement program agreements provide ongoing access to affordable units for households on community housing waiting lists. Payment is issued to the landlord based on the agreement with Bruce County.

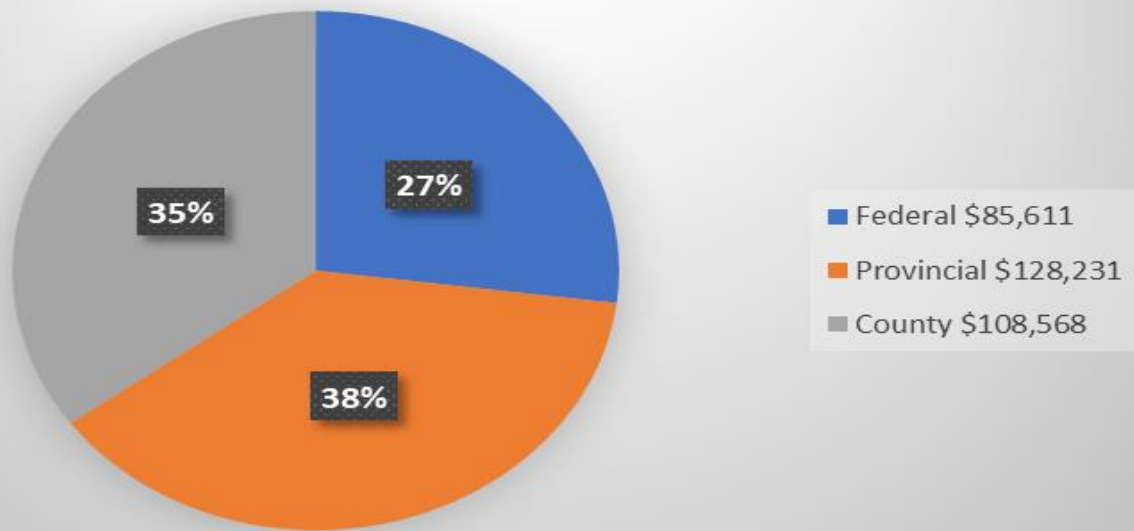
Bruce County currently administers five streams of rent supplement, with various eligibility requirements, as well as the Canada Ontario Housing Benefit, which is a provincial program administered and paid through the Ministry of Finance and could be considered a 'housing allowance' given payment is direct to the tenant and does not require administration of an agreement with the landlord.

#### **Rental Subsidies Currently Delivered in Bruce County**

Program or Stream of Subsidy	Funding Source	Total amount (2021)	House-holds	Average subsidy	Average rent per month	Rent Calculations
Municipal	County Levy	\$57,500	16	\$278/month \$3,336/year	\$780	RGI
Commercial	Federal & County	\$58,000	7	\$603/month \$7,236/year	\$880	RGI
Strong Communities Rent Supplement Program (SCRSP)	Provincial	\$82,773	18	\$354/month \$4,248/year	\$890	RGI
SCRSP - Supportive	Provincial	\$26,779	7	\$380/month \$4,560/year	\$720	RGI
OPHI	Provincial & Federal	\$120,000	34	\$295/month \$3,540/year	\$830	Flat rate
COHB	Provincial & Federal	\$37,358	43	\$294/month \$3,528/year	\$973	Calculation using Family Net Income

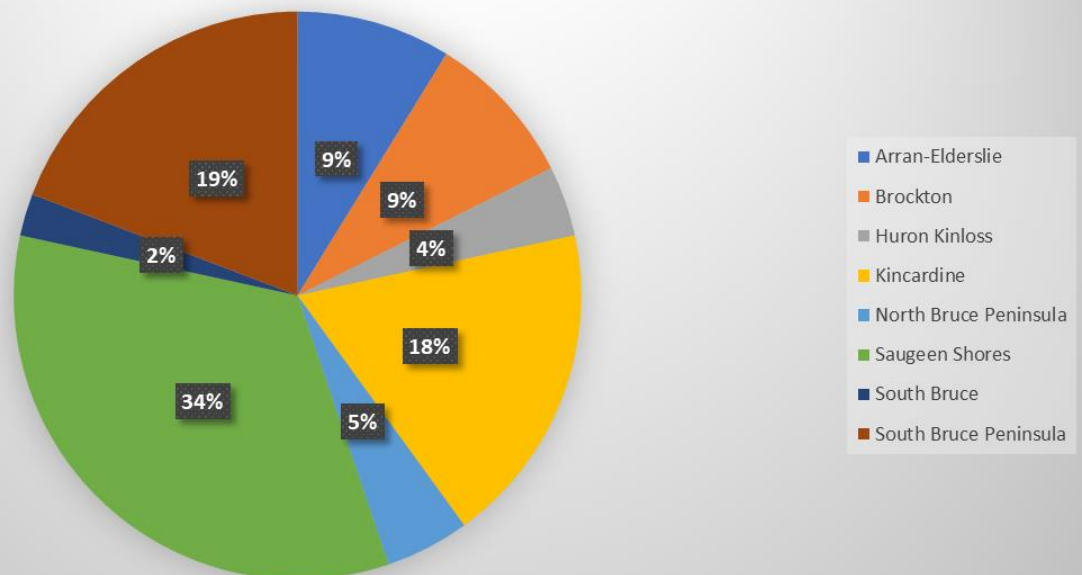
Funding for the various rent subsidy programs is provided by the Federal, Provincial and Municipal (County Levy) Governments.

## Rent Subsidy Funding Streams



Residents across Bruce Count are eligible for the various rent supplement and housing allowance programs. Below is an outline of the recipients per municipality.

## Percentage of Rent Supplements and Canada Ontario Housing Benefits per Municipality



In March 2022, the United Way Bruce Grey released an infographic entitled 'What does it cost to live in Bruce Grey'. Based on the information, to afford a one-bedroom unit at the cost of \$1500/month residents must make \$45,000 or \$24.72 per hour.

In this scenario, a minimum wage earner working 35 hours per week spends 40% of their income on housing if they pay more than \$910 per month. Therefore, they would require a supplement of \$590/month or \$7,080 per year to ensure affordability.

Residents on social assistance require deeper subsidy to ensure affordability. A single person on Ontario Works receives \$390 per month for shelter, a couple receives \$642 and a couple with one child receives \$697. A single recipient of the Ontario Disability Support Program receives \$497 for shelter per month, a couple receives \$781 and a couple with one child receives \$846.

In the scenario above, if rent is \$1500/month a single OW recipient would require a \$1100 subsidy and a client on ODSP would require a \$1003 subsidy.

Currently, rent supplements are paid to the landlord. If the tenant moves to a new unit, the rent supplement does not follow them, unless they qualify under the Transfer Policy, and without qualifying for a transfer they would have to re-apply. Alternatively, the COHB is paid directly to the tenant and the tenant can move to any municipality in Ontario and continue to receive the payment. This offers increased autonomy for the client if they find their family, employment or health situations change and they are required to move.

On April 7, 2022, staff presented the Homelessness Prevention Program (HPP) report outlining an increase of \$98,394 in funding. Rent Supplement/Housing Allowances are an eligible expense under the Housing Assistance category of HPP. Previous to April 1, 2022, the Strong Communities Rent Supplement Program (SCRSP) was a standalone program offering rent geared to income (RGI) assistance to eligible renter households. The SCRSP has been consolidated with the Community Homelessness Prevention Initiative (CHPI) to make up the Homelessness Prevention Program.

Offering a rent-geared-to-income rent supplement is administratively heavy while offering a monthly flat rate payment requires less administration and less onus on the client to submit financial paperwork.

Based on the approved Investment Plan for HPP, the \$98,394 in new funding can be used as a housing allowance for eligible renter households.

The new Housing Allowance Program as proposed would begin on September 1, 2022, until the fiscal year end March 31, 2023. This will allow staff sufficient time to develop eligibility requirements, guidelines, agreements for the new program and intake of the new households.

#### **Proposed Housing Allowance Program**

Funding	Housing Allowance/unit	Number of units	7-month cost	Annual cost	2023 New Requirement
\$98,394	\$590	27	\$111,510	\$191,160	\$156,486

Bruce County has not received the 2022-2023 allocation for HPP yet, however, staff did an analysis of the annualized cost of the housing allowance program as per the above table. The

annualized cost of funding the proposed program would be \$191,160. The cost of operating the program for the first seven months is projected to exceed the available funding of \$98,394 by approximately \$13,116. This shortfall can be offset by available funds in the Social Services Relief Fund Phase 5 in 2022.

The new requirement for the 2023 budget would be \$156,486 which could potentially be funded by the 2023-2024 provincial allocation, by county levy or the County Affordable Housing reserve. This would be determined through the 2023 budget process.

With the addition of 27 new housing allowances and approximately 55 new COHBs, up to 82 additional applicants will be removed from the community housing registry waitlist in 2022. These housing allowances will help residents maintain their rental unit and provide housing security.

### **Financial/Staffing/Legal/IT Considerations:**

Funding for the 7-month program will be funded using the increased allocation from HPP. Budget considerations will need to be considered to fund the program post March 31, 2023, or until the 2022-2023 HPP allocation is received.

Currently there are two Housing Services Program Assistants administering the rent subsidy and COHB programs. As well, as the administration of the rent supplement and housing allowances, the Housing Services Program Assistants collect annual rent review, calculate rent, set up electronic transfers for rent payment, administer the community housing registry waitlist, administer home repair and homeownership programs and provide general reception help.

The increasing demands of the current housing market are creating a need for additional staffing resources and support for the housing division to respond to community need. Staff are reviewing the impact of the various program changes and additional pieces of work on the Housing Services team and will be providing further information to committee in the future.

There are no legal or IT considerations associated with this report.

### **Interdepartmental Consultation:**

Staff consulted with the Corporate Services Department for information presented in this report.

### **Link to Strategic Goals and Elements:**

Goal #3. Find creative new ways to engage our public

Goal #5. Eliminate our own red tape

Goal #6. Explore alternate options to improve efficiency and service

### **Report Author:**

Tania Dickson  
Housing Services Manager

**Departmental Approval:**

Christine MacDonald  
Director, Human Services

**Approved for Submission:**

Derrick Thomson  
Chief Administrative Officer