



City of Kingston  
Housing and Homelessness Advisory Committee  
Agenda

Thursday, June 13, 2024

1:00 p.m.

Hosted in a virtual, electronic format

**Committee Composition**

Councillor Ridge, Chair  
Councillor Tozzo  
Jane Bailey  
Cathy Borowec  
Ian Clark  
Jacqueline Collier  
Tara Everitt  
Nicki Gowdy  
River Hill  
Hanny Philip  
Adrian Tanjala

Please provide regrets to Iain Sullivan, Committee Clerk at 613-546-4291, extension 1864 or [isullivan@cityofkingston.ca](mailto:isullivan@cityofkingston.ca)

Watch live on the [Kingston City Council YouTube](#) channel or register to receive the [Zoom](#) link.

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Pages

1. Call to Order
2. Approval of the Agenda
3. Confirmation of Minutes
4. Disclosure of Pecuniary Interest
5. Delegations
6. Briefings
7. Business
  1. Social Housing - End of Mortgages and End of Operating Agreements Update

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The Report of the Commissioner of Community Services (HHC-24-001) is attached.

This report is for information purposes only.

**2. Standing Update Report June 2024**

14

The Report of the Commissioner of Community Services (HHC-24-009) is attached.

This report is for information purposes only.

**3. Update on the Potential to Extend the Better Homes Kingston Program**

31

The Report of the Commissioner of Growth & Development Services (HHC-24-010) is available.

This report is for information purposes only.

**8. Motions**

**9. Notices of Motion**

**10. Other Business**

**11. Correspondence**

**12. Date of Next Meeting**

The next meeting of the Housing and Homelessness Advisory Committee is scheduled for Thursday, August 15, 2024 at 1:00 p.m.

**13. Adjournment**



**City of Kingston**  
**Information Report to Housing and Homelessness Advisory Committee**  
**Report Number HHC-24-001**

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**To:** Chair and Members of the Housing & Homelessness Advisory Committee

**From:** Jennifer Campbell, Commissioner, Community Services

**Resource Staff:** Mitchell Grange, Policy Manager, Housing & Social Services

**Date of Meeting:** June 13, 2024

**Subject:** Social Housing – End of Mortgages and End of Operating Agreements Update

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**Council Strategic Plan Alignment:**

Theme: 1. Support Housing Affordability

Goal: 1.3 Increase supply of new-build not-for-profit and co-op housing and ensure sustainability of existing stock.

**Executive Summary:**

Effective January 1998, the City, as Service Manager, assumed administrative responsibility for housing and homelessness in the City of Kingston and the County of Frontenac. Currently, under the *Housing Services Act, 2011* (HSA), the City has responsibility for the funding and administration of social housing programs previously funded and administered by the Province of Ontario and/or Canada Mortgage and Housing Corporation (CMHC).

As a result of this downloaded responsibility, the Service Manager signed operating agreements with the former provincial reform housing providers with the agreements set to expire when the housing providers' mortgages become paid in full. This arrangement remained largely in place for decades until recently, when changes to legislation came into effect.

In March 2022, the Province of Ontario released regulations amending Ontario Regulation 367/11 under the HSA to create a service agreement framework that supports the continuity of community housing services and tenant stability. These amendments establish the rules for the creation of new service agreements between the City and local housing providers. The one

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exception is Kingston and Frontenac Housing Corporation which has signed a Shareholder's Agreement with the Service Manager.

Prior to these changes, the legislation governing the funding framework of social housing subsidies was based on a formula that all Service Managers were to use. In most cases, the operating subsidies to social housing providers will end at the same time as the providers reach their end of mortgage (EOM) which will see their mortgage expenses removed. EOM dates have consequences for both the City and housing providers with respect to the ability of a housing provider to continue to be financially viable and have the cash-flow to cover operational expenses and/or reserves to address the capital needs of their properties.

The 2022 legislative changes allow Service Managers to work individually with housing providers on funding options unique to their circumstances and to ensure long-term financial sustainability once their mortgages are paid in full.

The City of Kingston's Strategic Plan 2023-2026 includes a priority to Support Housing Affordability, with an action under section 1.3.3 to "Develop a Strategy for the 'wind up' of existing operating agreements and renewal of assets".

This report outlines the options presented in the regulatory changes, the current mortgage status with the City's social housing providers, what work staff have undertaken, and proposed next steps towards an established framework to be implemented over the course of the next six years.

**Recommendation:**

This report is for information only.

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**Authorizing Signatures:**

ORIGINAL SIGNED BY COMMISSIONER

**Jennifer Campbell,  
Commissioner, Community  
Services**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Paige Agnew, Commissioner, Growth & Development Services	Not required
Neil Carbone, Commissioner, Corporate Services	Not required
David Fell, President & CEO, Utilities Kingston	Not required
Peter Huigenbos, Commissioner, Major Projects & Strategic Initiatives	Not required
Brad Joyce, Commissioner, Infrastructure, Transportation & Emergency Services	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required

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## Options/Discussion:

### Background

From 1970 -1997, CMHC supported the development of non-profit social housing projects throughout Ontario. The projects were funded in a variety of ways, including unilateral federal funding and lending programs, and cost shared federal and provincial programs. All agreements were tied to mortgages.

The provincial government first announced the devolution of social housing to 47 Service Managers across the province in 1997 with the passing of the *Social Housing Funding Act, 1997*, whereby effective January 1998, Service Managers began to pay the former provincial share of the costs of social housing in Ontario. The federal government continues to provide block funding to Service Managers which covers a portion of the social housing costs, but this continues to decline annually and is set to expire locally in 2029.

In December 2000, the *Social Housing Reform Act, 2000* (SHRA) was passed, and effective January 2001, Service Managers were provided with a legislative framework for the assumed responsibility for the funding and administration of social housing programs previously funded and administered by the Province and/or the CMHC. Operating agreements with housing providers in the provincial programs were terminated and replaced with new operating agreements under the framework legislated within the SHRA and superseded by the HSA. All agreements were set to expire at mortgage maturity. This milestone, deemed the End of Agreement (EOA) for former federal providers and EOM for HSA providers, is a key transition point because it is also the point at which federal funding expires.

The projects funded primarily by the federal government have almost no ongoing obligations to social housing at EOA, unlike the provincial programs that must continue to provide rent-gear-to-income (RGI) housing at EOM. In 2021, City staff brought forward [Report Number HHC-21-003](#) outlining potential strategies for the implementation around EOA/EOM; however, this was based on a municipal approach without any information or knowledge of pending changes to the HSA.

In March 2022, the Province released regulations amending Ontario Regulation 367/11 under the HSA which provides two options to a housing provider at EOM; enter into a new service agreement to continue providing subsidized housing under the new housing framework or meet the prescribed requirements to exit social housing.

Housing providers who have reached EOM but have yet to enter into a new agreement continue to be governed by the pre-existing HSA rules and funding formula. The HSA regulates the provisions of RGI and operating subsidies provided for non-profit housing designated under the HSA. The operating subsidies were established to bridge the gap between the revenue received from market rents and the total cost of the mortgage and operations. Under the amended regulations, the Service Manager has no funding requirement other than the provisions of RGI

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subsidy. EOM therefore brings with it significant funding changes for the non-profit housing providers as well as for the City as sole funder.

### **Regulatory Changes**

Prior to the 2022 changes, the funding framework and legislation governing the provisions of social housing remained largely unaltered for decades.

The new regulatory framework established for service agreements allows for Service Managers and housing providers to negotiate a more flexible funding approach. The service agreement framework establishes the following minimum requirements:

- Baseline provisions to continue funding rent-gear-to-income (RGI) units.
- Co-development of a 5-year financial plan that addresses the operating and capital needs of the project.
- Setting a minimum term length of 10 years for service agreements.
- Selection rules for units where households will be receiving RGI assistance must align with existing selection and waiting list rules under the HSA.
- Co-development of a non-compliance and dispute resolution process.
- Participation in mandatory Housing Services Corporation (HSC) programs, with current exemptions continuing.

Should a housing provider decide to opt out, an exit agreement must be completed. This ensures that the longstanding municipal investments made into community housing are preserved and no tenants are displaced.

The exit agreement framework establishes the following minimum requirements:

- Accommodation for households who occupy subsidized units in the housing project, including a plan for continued delivery of either RGI or an agreed upon alternate form of assistance that meets the criteria of the HSA.
- At least of one the following:
  - Continued operation of the housing project by the housing provider (or another housing provider).
  - The redevelopment of the housing project by the housing provider (or another housing provider).
  - A reinvestment of the proceeds of the sale of the housing project into affordable housing.

If an agreement is not successfully negotiated, the previous expectations under the HSA will remain in effect.

The amending regulations also provide a third option in the social housing framework which allows housing projects that are not currently subject to the HSA to enter into service

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agreements with the Service Manager. Such an arrangement would be subject to the Service Manager's assessment of the project's viability, condition of rental units, finances and municipal budget approvals.

The City of Kingston, as Service Manager, has the legislated responsibility under the HSA to fund and administer a portfolio of 2003 social housing units, which consists of a mix of RGI and rent supplement units along with local portable housing benefits. RGI units are operated by 13 non-profit social housing providers under the HSA and our Local Housing Corporation (LHC), Kingston and Frontenac Housing Corporation (KFHC). LHCs are share-holding corporations that are listed under a different section of the HSA and are bound by the regulation to exist without an agreement. Therefore KFHC, with the City as the sole shareholder, is not subject to EOM.

### **Current Status of EOA/EOM with Housing Providers**

Since the report in March 2021, the Service Manager, under the EOA process, has entered a five (5) year operating agreement expiring November 2026 with the former federal provider, Dutch Heritage Villa which operates 13 RGI units. Two provincial providers reached EOM in 2023, Porto Village Non-Profit Homes Inc. (Porto Village), with 43 RGI units and St. Andrew-Thomas Senior Citizens Residence with 20 RGI units. Porto Village still receives a subsidy based on the previous funding model while, St. Andrew-Thomas Senior Citizens Residence did not qualify for any subsidy in 2024 and therefore an interim funding agreement was entered into which will continue to support the providers operations until a new framework for EOM is established and the City as Service Manager and the provider are able to enter negotiations to reach a new service agreement under the new regulatory framework.

The remaining 10 providers have yet to reach EOA/EOM; however, all will expire by 2030 (Exhibit A).

### **Relevant Consultation**

#### **Financial Analysis Consultation with Housing Services Corporation (HSC)**

HSC is a non-profit organization that has been operating for more than 20 years and provides customized business solution services to the social housing sector. HSC Business Solutions work with Ontario's 47 Service Managers to help them make the best use of their resources and manage their assets effectively. The Housing Services Strategic Committee (HSSC), of which all 47 Service Managers are members, has a cost-shared agreement with the HSC to provide administrative support services to the HSSC.

The City engaged the services of HSC to undertake a review of the current financial viability of housing providers and to understand and model potential funding scenarios that could support their long-term financial sustainability once their mortgages are paid in full. Operating costs and capital needs will be crucial in determining financial viability. One of the recommendations from HSC's report is to plan for a new cycle of Building Condition Assessments (BCA) to utilize as the



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foundation for both City and housing providers EOM planning and to support service agreement discussions.

On March 13, 2024, staff released a Request for Proposal 'F18-CS-HSS-2024-03' on the City's Biddingo site inviting prospective proponents to submit proposals to conduct BCAs on the City's social housing portfolio. The RFP closed on April 3, 2024 and an evaluation committee graded the submissions which resulted in identifying a top ranked proponent.

At the May 21, 2024 Council meeting, staff presented [Report Number 24-152](#) receiving approval to proceed with the BCAs with work set to begin this summer.

### **Service Agreement Template**

Last year, a group of Service Managers approached HSC to coordinate the purchase of shared legal services for developing a Service Agreement template. The law firm selected was Borden Ladner Gervais, a firm with experience in Service Manager agreements. A template was built on HSSC's Principles, Key Terms and Conditions with input from participating Service Managers. At the group's direction, the template is structured with core provisions and optional clauses. City staff opted into this approach along with 36 other Service Managers for access to the Service Agreement Template. The agreement is now with the City's Legal department for review.

### **HSC Event**

Staff attended a forum hosted by HSC in April 2024 focusing on Service Manager strategies for approaching EOM. It was tailored for Service Managers, focusing on effective strategies that are currently underway in Ontario. Panels were led by different Service Managers and discussed setting the strategic framework, housing provider capacity building, capital strategies, and tools and supports, including change management.

### **Education and Resources for Housing Providers**

Staff meet quarterly with the social housing providers in Kingston and County of Frontenac and have recently resumed in-person meetings after a long stretch of virtual meetings during the COVID-19 pandemic. EOM has become a standing agenda item around which to share updates.

HSC is set to offer two online self-paced courses starting in Fall 2024 designed for non-profits, to help build the knowledge and to assist in planning for EOA/EOM. The training is recommended for non-profit board members, senior staff of non-profits and Service Managers. Staff have encouraged all providers to register for this valuable training.

The Ontario Non-Profit Housing Association (ONPHA) was recently awarded \$1 million of grant funding by the Ministry of Municipal Affairs and Housing to support their Sector Transformation

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Enterprise Program (STEP). The STEP program aims to connect community housing providers with pre-vetted professional services to assist them in preparing for negotiations with their Service Managers. The grant will allow ONPHA to provide financial support to ease the financial cost of working with external consulting experts. ONPHA is currently accepting STEP grant applications and staff have encouraged all providers to apply.

Staff are working with the City's Communications and Customer Experience team to develop an EOA/EOM Readiness Guide to housing provider boards and senior staff to offer clear, consistent messaging which will also be posted to the City's website.

### **Next Steps**

Staff will continue to work with Communications and Customer Experience to engage and educate all stakeholders in addition to working through the recommendations set out by HSC's Financial Analysis Report to develop an EOA/EOM framework to present to Council in Q4 2024.

Staff will continue to engage with other Service Managers to establish best practices across the province. HSC has announced EOM Sharing Circles coming in the Fall 2024 offering Service Managers the opportunity to delve deeper into relevant topics and exchange valuable insights with peers. Staff will complete the EOA/EOM training in the Fall provided by HSC.

### **Conclusion**

Social housing is a valuable publicly funded asset and an important component of local housing and homelessness systems. As such, it is staff's intent to enter into service agreements with all housing providers at EOM.

Staff will work with providers to ensure ongoing relationships to continue to offer RGI housing in our region. The regulatory changes will allow for the Service Manager to work individually with housing providers on funding options unique to their circumstances and move away from the archaic benchmark funding formula that has been applied to all housing providers in the province since download.

The City of Kingston, as Service Manager, will require a comprehensive EOM strategy to effectively implement this new framework with the goal of achieving sustainability within the City's social housing sector for years to come.

### **Existing Policy/By-Law:**

10 Year Housing & Homelessness Plan provides direction on ongoing maintenance and evaluation of the social housing stock.

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**Financial Considerations:**

Ongoing financial considerations are necessary as funding options will differ for each social housing provider at EOA/EOM. Updated financial information will be included in the development of the EOA/EOM framework that will be presented to Council in Q4 2024.

**Contacts:**

Mitchell Grange, Policy Manager, Housing & Social Services, 613-546-2695 extension 4996

**Other City of Kingston Staff Consulted:**

Nicola Reid, Housing Programs Administrator, Housing & Social Services

**Exhibits Attached:**

Exhibit A – Social Housing Mortgage Expiry Dates

**Social Housing Mortgage Expiry Dates**

<b>Type</b>	<b>Organization</b>	<b># of RGI Units</b>	<b>Mortgage Expiry Dates</b>
<b>Provincial</b>	Kingston Co-operative Homes	8	March 2030
	Kingston Home Base Non-Profit Housing	59	August 2029
	Lois Miller Co-operative Homes	21	December 2025
	Porto Village Non-Profit Homes	43	2023
	Royal Canadian Legion Villa	42	January 2028
	St. Andrew-Thomas Senior Citizen Residence	20	2023
	Kaye Healey Homes	35	July 2029
	Loughborough Housing Corporation	28	December 2025
	North Frontenac Non-Profit Housing	18	December 2027
	Weller Arms Non-Profit Homes	25	February 2026
	Marion Community Homes	22	2020
<b>Federal</b>	Dutch Heritage	13	2019
<b>Urban Native</b>	Tipi Moza	17	February 2026

**Social Housing Mortgage Expiry Dates**

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<b>Provincial</b>	Kingston Co-operative Homes	8	March 2030
	Kingston Home Base Non-Profit Housing	59	August 2029
	Lois Miller Co-operative Homes	21	December 2025
	Porto Village Non-Profit Homes	43	2023
	Royal Canadian Legion Villa	42	January 2028
	St. Andrew-Thomas Senior Citizen Residence	20	2023
	Kaye Healey Homes	35	July 2029
	Loughborough Housing Corporation	28	December 2025
	North Frontenac Non-Profit Housing	18	December 2027
	Weller Arms Non-Profit Homes	25	February 2026
	Marion Community Homes	22	2020
<b>Federal</b>	Dutch Heritage	13	2019
<b>Urban Native</b>	Tipi Moza	17	February 2026



**City of Kingston**  
**Information Report to Housing and Homelessness Advisory Committee**  
**Report Number HHC-24-009**

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**To:** Chair and Members of the Housing & Homelessness Advisory Committee

**From:** Jennifer Campbell, Commissioner, Community Services

**Resource Staff:** Amy Gibson, Manager, Housing & Homelessness, Housing & Social Services

**Date of Meeting:** June 13, 2024

**Subject:** Standing Update Report June 2024

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**Council Strategic Plan Alignment:**

Theme: 1. Support Housing Affordability

Goal: See above

**Executive Summary:**

The Housing & Homelessness Advisory Committee is provided with an update report on the housing and homelessness system in the City of Kingston and County of Frontenac at least quarterly throughout the year. The report includes updates regarding homelessness services, social housing programs, affordable housing projects and initiatives, and other updates as applicable.

**Recommendation:**

This report is for information only.

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**Authorizing Signatures:**

ORIGINAL SIGNED BY COMMISSIONER

**Jennifer Campbell,  
Commissioner, Community  
Services**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Paige Agnew, Commissioner, Growth & Development Services	Not required
Neil Carbone, Commissioner, Corporate Services	Not required
David Fell, President & CEO, Utilities Kingston	Not required
Peter Huigenbos, Commissioner, Major Projects & Strategic Initiatives	Not required
Brad Joyce, Commissioner, Infrastructure, Transportation & Emergency Services	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required

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**Options/Discussion:**

The report is organized in three sections providing updates on homelessness services, social housing programs and affordable housing projects and initiatives.

**1. Homelessness Services**

**By Name List (BNL) and Coordinated Access**

People on the BNL may be precariously housed or unhoused, ranging from and not limited to living in shelters, motels, with family, incarcerated, in hospital or living rough. Coordinated Access is a community-wide system that streamlines the process for people experiencing homelessness to access housing and support services within a coordinated system. The BNL remains steady, as a similar number of individuals exit the system as are introduced or re-introduced. Exits include individuals securing housing or becoming inactive such as losing contact with their Housing First Worker or moving away. Entries to the system include individuals accessing services for the first time or returning from being inactive. Below are the BNL numbers for the last ten months:

**Table 1: By Name List Data, July 2023 – April 2024**

Month	Number of People
July 2023	524
August 2023	533
September 2023	531
October 2023	537
November 2023	540
December 2023	523
January 2024	536
February 2024	531
March 2024	539
April 2024	546



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**Shelters/Overnight Drop-in Centre Updates**

The Adelaide Street Shelter, which is operated by Lionhearts Inc., opened for Weekend Day Services mid-March 2024. This service responds to an identified gap in drop-in locations for people to access support services during the weekends and statutory holidays. The emergency adult shelter operates in a City-owned property at 38 Cowdy Street. Individuals that are using the shelter service are welcome to stay throughout the weekend and individuals sheltering elsewhere can utilize the drop-in space to socialize and have a meal.

**2. Social Housing Programs**

**Rent Geared to Income Assistance (RGI)**

Under the *Housing Services Act 2011* (HSA), the City of Kingston as the Service Manager for housing and homelessness programs, is responsible for maintaining a target of 2,003 RGI units in the Kingston and Frontenac service area. The Housing & Social Services Department oversees the social housing system which includes fifteen non-profit housing providers that currently manage and directly operate 1,518 RGI units which follow eligibility rules set out in Part V of the HSA. The remainder of RGI units are secured through rent supplement agreements with private and non-profit housing providers, and recipients of the local Portable Housing Benefit (PHB). Additionally, there are 61 municipally funded supportive housing units, with tenants paying no more than 30% of their adjusted family net income or, if on social assistance, rent is no more than maximum shelter allowance which counts towards the City of Kingston’s service levels. There are another 30 non-mandated RGI units funded by Federal and Urban Native programs. Social housing units and PHB benefits are accessed by way of the centralized waiting list (CWL) which is maintained by the Social Housing Registry.

Information and updates regarding the CWL and RGI units are shared through Tables 2-4 and Figure 1 below.

**Centralized Wait List Data**

**Table 2: Number of Active Households as of April 30, 2024**

Household Type	Special Priority	Chronological	Total
No Dependents (single or couple)	14	744	758
With Dependents 2 bedrooms	2	147	149

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Household Type	Special Priority	Chronological	Total
With Dependents 3 bedrooms	6	137	143
With Dependents 4 bedrooms	5	85	90
With Dependents 5 bedrooms	2	85	87
Senior (65+)	1	231	232
<b>Total</b>	<b>30</b>	<b>1,429</b>	<b>1,459</b>

Table 3: History of Number of Active Households – January 1, 2020, to April 30, 2024

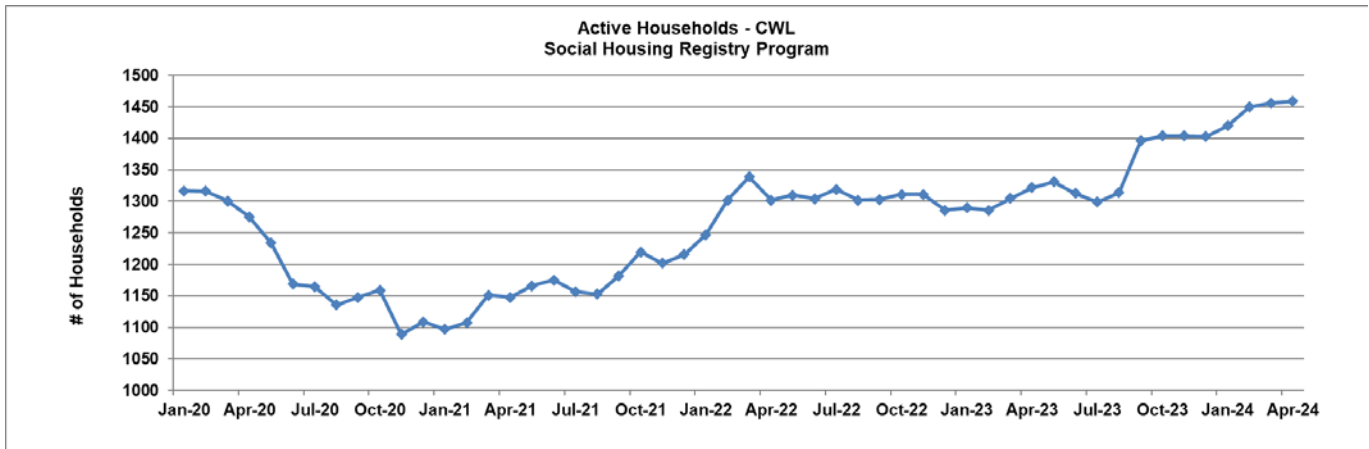


Table 4: Total Number of RGI Applications Received January 2024-April 30 2024

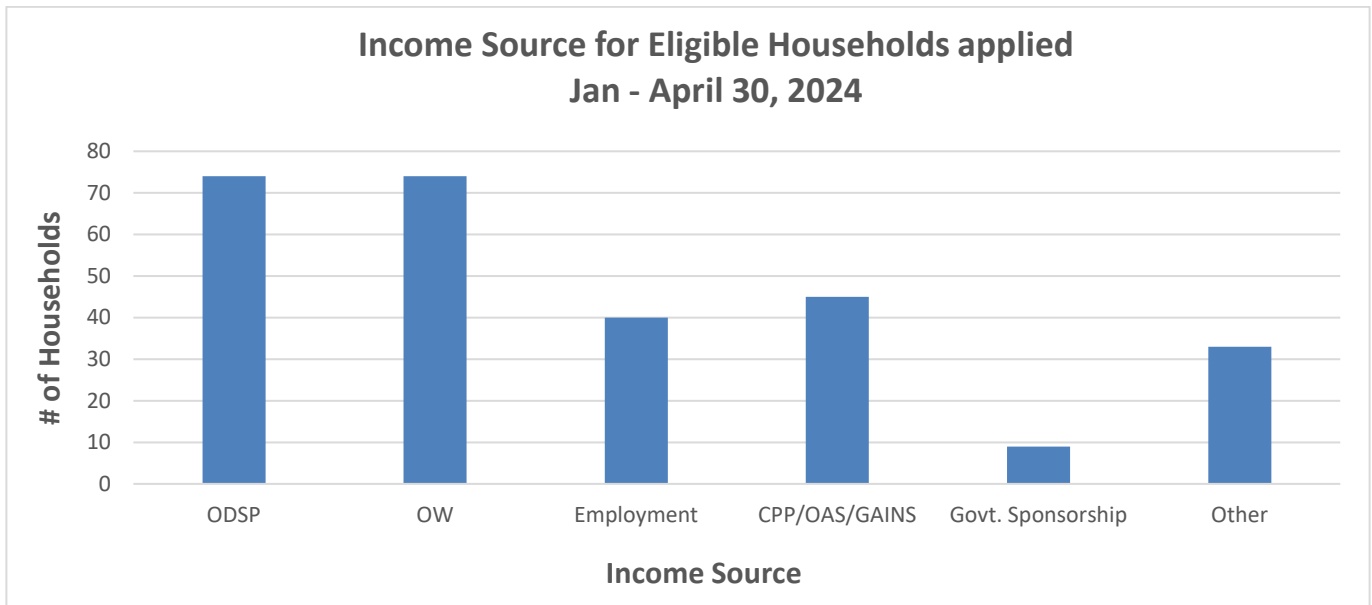
Household Type	No Dependents (single or couple)	With Dependents	Seniors (65+)	Total
# of Applications	170	93	50	313

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Household Type	No Dependents (single or couple)	With Dependents	Seniors (65+)	Total
# - Eligible households - Chronological	126	68	29	223
# Eligible households - Special Priority	8	8	2	18
<b>Total # Eligible Households</b>	<b>134</b>	<b>76</b>	<b>31</b>	<b>241</b>

Figure 1: Income Distribution of Eligible Households Who Applied Jan 2024-April 30 2024



**Local Portable Housing Benefit (PHB)**

A PHB is a monthly subsidy provided to a low-income household to assist with housing costs. Unlike other forms of housing assistance, the benefit is tied to the household and not a physical housing unit, allowing the benefit to move with the household to any rental unit within the City of Kingston or County of Frontenac. As a result, recipients have more flexibility to choose where they live to be closer to family, social support networks, schools and employment opportunities.

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There are 138 PHB benefits available for eligible residents. As of April 30, 2024, 127 households are receiving a PHB.

### **Canada-Ontario Community Housing Initiative (COCHI), Ontario Priorities Housing Initiative (OPHI) and Canada Ontario Housing Benefit (COHB)**

Under the 2017 National Housing Strategy, the Ministry of Municipal Affairs and Housing (MMAH) entered into a bilateral agreement with the Canada Mortgage and Housing Corporation Canada, establishing funding for housing programs. At that time, the programs included COCHI and OPHI. In April 2020, the COHB was introduced.

In February 2023, the City received notice from the MMAH regarding annual funding allocations for programs for the 2023-2025 program years. The 2024/2025 allocation for COCHI and OPHI, planned to be released in April 2024, were stalled due to a dispute between the Federal and Provincial governments. The potential implications to the City if the funding continued to be delayed were conveyed in [Report Number 24-152](#) which was shared with Council at its May 21, 2024 meeting. On May 28, 2024 a joint statement was released by the Federal and Provincial Governments informing Service Managers that Ontario has submitted a revised Action Plan under the bilateral agreement, which provides more robust data and insights as to which housing projects benefitted from provincial investment. This has resolved the prior dispute and will unlock the previously withheld funding to Service Managers and allow staff to continue to implement the COCHI and OPHI programming scheduled for 2024/25. The agreement also offers assurance that the Canada Ontario Housing Benefit (COHB) will continue over the defined program term.

### **3. Affordable Housing Projects and Initiatives**

Since its inception, the affordable rental housing capital funding programs have provided financial assistance from municipal, provincial and federal sources to create over 550 units. These units include deeply affordable transitional and long-term supportive housing units for social assistance recipients as well as supporting affordability for moderate-income working households that may struggle to afford market rent.

The capital funding assistance is provided in exchange for long-term rents at below-market levels. These units are in addition to the service areas 2,003 rent-geared-to-income units. Table 5 outlines ongoing affordable housing projects that have received capital funding commitments and are in development or under construction. Of note, staff are currently working with a variety of non-profit and private sector housing providers and upper levels of government to plan and initiate new affordable housing projects. These projects are not included in Table 5 but will be discussed in subsequent reports when project commitment is achieved.

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**Table 5: Ongoing Affordable Housing Projects**

Address	Proponent	Affordable Units	Description	Status
1316 Princess Street	Kingston & Frontenac Housing Corporation	52 units	Affordable and Rent-Geared-to-Income Housing	Construction started summer 2022; completion winter 2025
1336 Princess Street	Kingston Co-Operative Homes Inc.	38 units	Affordable Housing	Complete and occupied
484 Albert Street	Kingston Home Base Housing	38 units	Supportive/ Transitional Youth Housing	Construction is ongoing; completion February 2026
1752 Bath Road	ARM Construction Company	28 units	Affordable Housing	Construction to start spring 2024, completion spring 2026
805 Ridley Drive (West Wing)	City of Kingston and Dawn House for Women	17 beds	Transitional housing for vulnerable women	Renovation start spring 2024; completion February 2025
111 MacCauley Street	Habitat for Humanity	8 units	Tiny House Pilot Project	Construction ongoing, completion spring summer 2024

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Address	Proponent	Affordable Units	Description	Status
206 Concession Street	City of Kingston and Addiction and Mental Health Services	18 beds	Addiction and mental health housing stabilization program	Construction start winter 2024; completion November 2024
255 Yonge Street	City of Kingston	3 units	Indigenous Housing	Construction start May 2024; completion November 2024
44-62 Barbara Avenue	HJK1 Holdings Ltd.	5 units	Affordable Housing	Complete and occupied
Various Addresses	KFHC	6 units	Affordable Housing	Construction start December 2024, completion summer 2025

**Other Affordable Housing Programs**

**Second Residential Unit Affordable Housing Grant Program**

Second residential units, also known as secondary suites or granny flats, are private, self-contained units within an existing dwelling (i.e. basement apartment) or in a detached, accessory structure such as a backyard coach house or converted detached garage. Second residential units provide housing diversity and support housing options for singles and smaller households, live-in caregivers and downsizing seniors, amongst other smaller household types. Second residential units also provide additional income which can be used to support low to moderate-income households to achieve home ownership. In 2023, building permits were issued for 119 second residential units.

The City’s implementation plan for the Housing Accelerator Fund initiatives will enhance the existing incentive program by providing streamlined approvals, increased financial incentives and pre-reviewed contractor packages to make it easier for property owners to develop

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additional residential units ([Report Number 23-172](#)). Staff are currently working to develop the enhanced program to be available later this summer.

### **Kingston-Frontenac Renovates Program**

The Kingston-Frontenac Renovates Program provides funding assistance to eligible homeowners to make their homes more accessible or to complete urgent or emergency repairs. Examples of eligible projects include accessibility ramps, stair lifts, handrails, roof replacement, foundation work, furnace replacement and window replacement. Projects are eligible for up to \$15,000 which is provided in the form of a forgivable loan that is forgiven at an equal rate over the ten-year term. For accessibility projects, \$5,000 is provided in the form of a non-repayable grant.

The 2024 program is now available and accepting applications. Repayments received from participants who sell their home within the ten-year term are returned to the program's revolving fund which supports additional households. In 2023, 17 households benefited from this program. This program is available in the City of Kingston and the County of Frontenac.

### **Home Ownership Program**

The Home Ownership Program provides down payment assistance to low-to-moderate-income renters and first-time buyer households. The program intends to support households that can afford the monthly costs of homeownership but cannot fund the down payment requirements. Eligible households must be renting a home or be first-time buyers residing in the City of Kingston or the County of Frontenac and meet specified income criteria. Funding is provided in the form of a 10% down payment, up to a maximum of \$45,000, which is forgiven after the 20-year affordability term. If the home is sold during the 20-year term, the principal amount and a percentage of any capital appreciation is repayable to the program's revolving loan fund.

While the unprecedented price escalation in recent years has impacted the number of successful purchases, for 2023, the asset limit was raised from \$20,000 to \$50,000 to enable prospective participants to maximize down payment availability. In 2024, the program has been further amended to increase the household income eligibility and the maximum house price. So far in 2024, two households have successfully purchased homes under the program.

### **Kingston Co-Operative Homes Completes Affordable Housing Project at 1336 Princess Street**

Kingston Co-Operative Homes Inc., a non-profit organization providing affordable housing in Kingston, recently welcomed the first residents to the completed project at 1336 Princess Street. The construction of this much-needed development began in late 2022 and now offers 38 units of affordable housing offering a range of affordability levels to low to moderate-income households. The project includes a mix of one-bedroom and two-bedroom units with 22 units at 80% average market rent and 16 units at 60% of the average market rent, inclusive of utilities.

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This project, and the adjacent affordable housing project at 1316 Princess Street (still under construction), were made possible through the City's contribution of land to the project. The property on Princess Street was purchased by the City specifically for affordable housing development.

This project also benefitted from a municipal capital funding contribution and funding from the provincial and federal governments through the Ontario Priorities Housing Initiative and the National Housing Strategy Co-Investment fund.

### **New Housing Program with the YMCA of Eastern Ontario**

A new housing program has been launched by the YMCA of Eastern Ontario. The program is designed to assist individuals on their journey toward housing independence, and it is a collaboration between the YMCA, CaraCo Group, Tipi Moza and the City of Kingston. The program offers four studio units at reduced monthly rent provided by CaraCo Group. Participants are referred from Tipi Moza's Indigenous transitional housing program, and the City of Kingston offers a monthly rent supplement to bridge the gap between the social assistance shelter allowance and the reduced rate rent.

The YMCA has a long history of providing housing supports in Canada. To help serve the current local housing needs, the YMCA of Eastern Ontario is initiating this housing program to fill an identified gap in the housing continuum. In recent years, with the support of the City of Kingston, local housing providers have expanded transitional housing program capacity to provide affordable accommodations and support services. However, one of the challenges faced by these programs is that it can be difficult to find subsequent housing when participants are ready to progress in their housing independence. This creates a bottleneck where programs cannot take in new participants if existing participants are unable to secure subsequent housing. The new YMCA program will provide housing for four residents of Tipi Moza's Indigenous transitional housing program who are ready to move on to a housing program with lighter support services. This program not only provides opportunities for those moving on but also opens space for new intake at the 113 Lower Union Street program.

The YMCA support services are intended to include health and fitness, mental health and life skills support. Individualized wellness plans and programs will address financial literacy, conflict management, organization skills, self-esteem, gambling awareness and nutrition.

This new program is an example of how organizations can work together and leverage their capacity and skill sets to support vulnerable community members. The YMCA is seeking additional partnership opportunities moving forward.

### **New Affordable Housing Units on Barbara Avenue**

Affordable housing units in the recently completed conversion project on Barbara Avenue are now complete and occupied by tenants. To support the creation of these five affordable units,



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the City provided a capital funding contribution to a private developer to offset the development costs. The affordability term associated with this project is 20 years and during this time the units will be rented at a below-market rate.

The project included converting underutilized basement spaces in existing townhome units to create ten new one-bedroom units, five of which will be affordable. City Council allocated funding to this project in July 2023. Completing the project in less than a year is a notable accomplishment, as housing projects typically take more than a year to finish.

### **Dawn House for Women**

The west wing of the facility operated by Dawn House for Women at 805 Ridley Drive is currently being renovated with expected completion in February 2025. The east wing was renovated last year and provides 12 transitional housing units. Clients and staff are currently located at a temporary site and are fully operational.

### **City Council Approves Funding for Affordable Housing Project, Advancing Construction Readiness**

In April 2024, City Council approved a staff recommendation to fund two non-profit housing providers to complete development approvals and design work for three future community housing projects. Completing the work will get three new projects to the construction-ready stage.

The projects include a new housing facility for families being developed by Kingston Home Base Non-Profit Housing to replace the existing family shelter which is outdated and undersized based on current demand. The family housing facility will include emergency accommodations, transitional housing and permanent affordable housing for families. The two other projects are being developed by the Kingston & Frontenac Housing Corporation and will provide mixed-income housing including affordable and market rental units. More information about the projects is available in [Report Number 24-055](#).

### **Contacts:**

Amy Gibson, Manager, Housing & Homelessness, Housing & Social Services, 613-546-4291 extension 4950

Mitchell Grange, Policy Manager, Housing & Social Services, 613-546-2695 extension 4996

### **Other City of Kingston Staff Consulted:**

Lori Kidd Velkova, Housing Programs Administrator, Housing & Social Services

John Henderson, Housing Programs Administrator, Housing & Social Services

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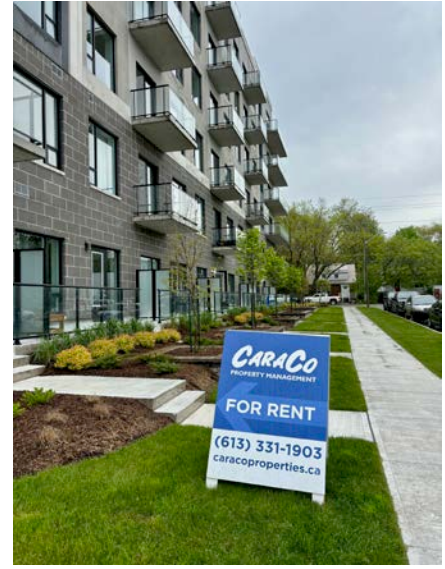
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Nicola Reid, Housing Programs Administrator, Housing & Social Services

**Exhibits Attached:**

Exhibit A - Pictures of Completed Projects

Completed Units in Caraco Corporation Building for YMCA Housing Program



**Kingston Co-Operative Homes Inc. 38-Unit Affordable Housing Project**



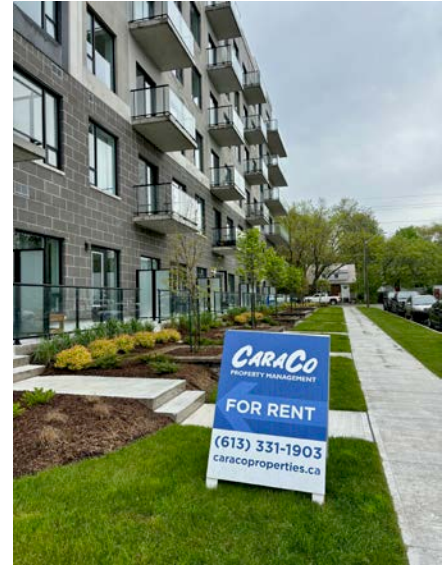
Accessible washroom

Accessible kitchen

**Completed Affordable Housing Units at Barbara Avenue**



Completed Units in Caraco Corporation Building for YMCA Housing Program



**Kingston Co-Operative Homes Inc. 38-Unit Affordable Housing Project**



Accessible washroom

Accessible kitchen

**Completed Affordable Housing Units at Barbara Avenue**





**City of Kingston**  
**Information Report to Housing and Homelessness Advisory Committee**  
**Report Number HHC-24-010**

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**To:** Chair and Members of the Housing & Homelessness Advisory Committee

**From:** Paige Agnew, Commissioner, Growth & Development Services

**Resource Staff:** Julie Salter-Keane, Manager, Climate Leadership

**Date of Meeting:** June 13, 2024

**Subject:** Update on the Potential to Extend the Better Homes Kingston Program

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**Council Strategic Plan Alignment:**

Theme: 2. Lead Environmental Stewardship and Climate Action

Goal: 2.2 Support climate action and sustainability for residents, businesses and partners.

**Executive Summary:**

[Report EITP-24-001 Potential to Extend the Better Homes Kingston Program](#) was presented to the Environmental, Infrastructure & Transportation Policies Committee on December 12, 2023. The purpose of the report was to provide details on the feasibility to expand the program including options for recapitalizing the program, the creation of a fee for service model for the program to ensure long-term feasibility, and other programmatic changes under consideration, including support for low-income homeowners.

The purpose of this report is to seek input from the Housing and Homelessness Advisory Committee on the equity considerations that are outlined in [Report EITP-24-001 Potential to Extend the Better Homes Kingston Program](#), attached as Exhibit A to this report.

Staff will report back to the Environment, Infrastructure & Transportation Policies Committee in Q3 2024, with the final program changes and financial considerations for phase two of the program, including the required loan financing to be provided by the City, details of the fee-for-service model for program cost recovery, and options for continued incentives.

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**Recommendation:**

This report is for information only.



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**Authorizing Signatures:**

ORIGINAL SIGNED BY COMMISSIONER

**Paige Agnew, Commissioner,  
Growth & Development Services**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Jennifer Campbell, Commissioner, Community Services	Not required
Neil Carbone, Commissioner, Corporate Services	Not required
David Fell, President & CEO, Utilities Kingston	Not required
Peter Huigenbos, Commissioner, Major Projects & Strategic Initiatives	Not required
Brad Joyce, Commissioner, Infrastructure, Transportation & Emergency Services	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required

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**Options/Discussion:**

Council's 2023-2026 Strategic Plan 2.2.3 A includes a commitment to evaluate and report on the potential to extend the Better Homes Kingston program beyond the initial four years. Launched on April 11, 2022, the Better Homes Kingston program is intended to operate until September 2025, with funding provided by the Federation of Canadian Municipalities (FCM), Community Efficiency Financing (CEF), and the City. The program offers access to loan financing (i.e. attached as Local Improvement Charges to the participating property and arranged for loan repayment on property tax bills), incentives and free ongoing energy coach support.

[Report EITP-24-001 Potential to Extend the Better Homes Kingston Program](#) was presented to the Environmental, Infrastructure & Transportation Policies Committee on December 12, 2023. The purpose of the report was to provide details on the feasibility to expand the program including options for recapitalizing the program, the creation of a fee for service model for the program to ensure long-term feasibility, and other programmatic changes under consideration, including support for low-income homeowners.

The purpose of this report is to seek input from the Housing and Homelessness Advisory Committee on the equity considerations that are outlined in [Report EITP-24-001 Potential to Extend the Better Homes Kingston Program](#), attached as Exhibit A to this report.

Beyond the pilot, important changes are being considered to retain and enhance Better Homes Kingston's equity considerations, to support low-income homeowners to complete home energy retrofit projects. It is proposed that Energy Coaching Services would remain free to all income qualified candidates, with the upfront cost of the required home energy evaluation being paid directly by the City, to remove this barrier to entry. The Better Homes Kingston program currently follows the same income thresholds as the provincially funded Kingston Frontenac Renovates Program. It is proposed that a more inclusive household income threshold could be established, following best practices from other home energy efficiency programs in Canada, such as two-times the low-income cut-offs (LICOs) used by the Alberta's Home Upgrades Program. Staff are also investigating the option of offering 75%-100% of the total cost of the project in upfront funding as another supplementation for low-income qualified candidates.

Specific marketing will be completed to identify and attract homeowners who have a high home energy cost burden, defined as those households that spend 6% or more of their after-tax income to pay for their home energy consumption (in some cases high home energy cost burden can surpass 10-15% of after-tax income). However, many Kingston residents who experience high home energy cost burden do not own their homes and are therefore limited by the improvements they can make. Support targeting renters will be examined, and Better Homes Kingston will remain open to rental properties, provided they meet the determined eligibility criteria for the program.

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Through the energy coaching services provided by Sustainable Kingston, qualifying homeowners are being supported to receive other third-party funding from existing programs such as The Oil to Heat Pump Affordability Program, offered by the Government of Canada. With the launch of the Canadian Climate Institute's Heat Pump Calculator, it is demonstrated that heat pump systems have crossed the threshold as the most affordable home heating (and cooling) option for most homes in Ontario, and as costing data becomes more reliable, it would be ideal to be able to provide highly accurate cost-savings estimates, and eventually even guaranteeing a 1:1 debt-to-savings ratio, where the total cost of financing, including all program fees and the cost of borrowing, are equal to or less than the achieved energy cost savings, similarly to the Town of Bridgewater's home energy program supported by Clean Energy Financing.

For those very low-income households, who are unable to take on loan financing without guaranteed net savings, the Climate Leadership Division is collaborating with Housing and Social Services staff on a proposed partnership when delivering the Kingston Frontenac Renovates Program. The Kingston Frontenac Renovates Program offers eligible homeowner's forgivable loans and grants for home repairs, with eligibility based on household income and home value assessment. The program currently provides funding for emergency heating system repairs, completing approximately five heating system projects per year. It is proposed that the City could offer subsidization for projects, where a fossil fuel-based heating system is at end of life, to install a heat-pump system, providing low-carbon heating and cooling. This integration could be implemented easily, as the program already has defined criteria and operating procedures, not requiring the Better Homes Kingston process to be undertaken. This partnership with Housing Services would amount to approximately less than \$100,000 per year subsidization and would guarantee the lowest-income households receive support to install the most efficient and low-carbon heating systems, at the appropriate end of life of the fossil fuel-based systems (primarily natural gas furnaces).

### **Existing Policy/By-Law**

By-Law Number 2021-23, "A By-Law to Authorize the Undertaking of Energy Efficiency and Water Conservation Works on Private Residential Property as Local Improvements under the Better Homes Kingston Program.

### **Financial Considerations**

Staff are reviewing options to extend the Better Homes Kingston Program through capital financing, offering competitive interest rate loans, and utilizing the same local improvement charge (LIC) mechanism as the pilot. The estimated impact is projected to be \$5.3 million for 200 projects annually. City financing is the most efficient and equitable option, following the standard capital project financial planning process, and allowing Better Homes Kingston to operate with the lowest possible interest rate for homeowners, and to sustain uptake and impact. A fee-for-service model will be instituted, allowing program cost recovery through an

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upfront fee or interest rate rider charged to participating homeowners. In order to continue incentivising deep energy retrofits, it is proposed that the City could continue to subsidize some level of cash incentives, with a range of options.

**Contacts:**

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Soren Christianson, Project Manager, Climate Leadership, 613-546-4291 extension 1325

**Other City of Kingston Staff Consulted:**

None

**Exhibits Attached:**

None