

<b>Housing Services Division Policy</b>		Content Updated: 2016-06-15
<b>Social Housing Administration</b>		<b><i>Housing Services</i></b>
<b><i>Capital Funding – Proportional Allocations</i></b>		
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***Capital Funding – Proportional Allocations Policy***

<b>POLICY STATEMENT</b>	The City of Hamilton, as Service Manager, under the <i>Housing Services Act, 2011</i> may use proportional allocations for intermittent capital funding for social housing from the provincial and/or federal governments, subject to the terms and conditions imposed on such capital funding.
<b>PURPOSE</b>	<p>To establish a policy to allocate intermittent capital funding from the provincial and/or federal governments in an amount which is proportionate to the number of units in the inventory of each social housing provider, including CityHousing Hamilton, subject to the terms and conditions associated with any such funding.</p> <p>In the absence of specific funding rules, terms and conditions, this policy will help guide the Service Manager to prioritize a ratio of capital funding from senior levels of government allocated to social housing providers on a basis that is approximately equivalent to the ratio of social housing units.</p>
<b>SCOPE</b>	<p>The City of Hamilton is the designated Service Manager for social housing in the Hamilton area and as such, has legislated responsibility for administration and funding of prescribed housing programs.</p> <p>This policy is intended for use by the Service Manager when determining intermittent capital funding allocations for social housing providers who are under service agreement with the City to administer rent-geared-to-income (RGI) assistance under the <i>Housing Services Act, 2011</i>.</p>
<b>DEFINITIONS</b>	
<b><i>City</i></b>	means the City of Hamilton in its role as Service Manager designated under the <i>Housing Services Act, 2011</i>
<b><i>CityHousing Hamilton</i></b>	is the local housing corporation of which the City is the sole shareholder
<b><i>Eligible Units</i></b>	are units offered by a Housing Provider for RGI and may include units rented at low end of market rent within a Housing Project
<b><i>Housing Project</i></b>	a specific address or group of addresses that provide RGI housing
<b><i>Housing Provider</i></b>	a Non-Profit, Co-operative or Corporation that operates a Housing Project in accordance with the <i>Housing Services Act, 2011</i>
<b><i>Rent-Geared-to-</i></b>	the reduced rent/housing charge paid by a household residing in a

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<b>Income Assistance (RGI)</b>  <b>Service Manager</b>  <b>Social Housing</b>	<p>social housing unit, that is based on the household’s gross monthly income. Households are generally charged 30% of their gross household income in rent.</p> <p>the <i>Housing Services Act, 2011</i> designates Service Managers to administer and fund the social housing program. The City of Hamilton is a Service Manager.</p> <p>refers to rental housing developed with the assistance of government and subsidized by levels of government for people with low to moderate incomes, seniors or people with special need who can live, with support, in the community. Social housing is either non-profit rental or co-operative housing. Some or all of the rents are subsidized so that households do not pay more than 30% of gross income on shelter.</p>	
<b>TERMS &amp; CONDITIONS</b>	<p>The terms and conditions of any capital funding from the provincial and/or federal governments supersede this Policy and the Service Manager reserves the right to allocate funding using a competitive process where, in the opinion of the Service Manager, proportional allocation will not result in the best use of the funding.</p> <p>Proportional allocation will be considered within the context of any specific funding requirements prescribed by the provincial and/or federal governments.</p> <p>The Service Manager reserves the right to allocate funding in a manner that is responsive to the needs and priorities established through the Housing and Homelessness Action Plan or any other City of Hamilton endorsed plan or priority.</p> <p>Housing Providers who receive proportional allocations under this policy are required to submit a capital spending plan, approved by the Board of Directors, for the funding which should address capital repairs identified through a completed Building Condition Assessment or other high-priority preventative maintenance items.</p>	



**RESPONSIBILITIES**

***Determining Proportions***

To calculate the amount of funding potentially available to eligible social housing providers, Housing Administration Officers will use this formula:

Step 1

To find the proportion of an individual housing provider within the social housing stock:

- divide the total number of eligible housing provider units by the total number of units in social housing stock

Step 2

To find the funding allocation proportion of an individual housing provider within the social housing stock, use this formula:

$$\frac{x \text{ (allocation)}}{a \text{ (funding)}} = \frac{b \text{ (total individual housing provider units)}}{n \text{ (total units in housing stock)}}$$

Cross multiply:  $(x)(n) = (a)(b)$

$$x = (a \times b)/n$$

Example:

$$\frac{x \text{ (allocation)}}{\$100,000 \text{ a}} = \frac{200 \text{ b (total individual housing provider units)}}{10,000 \text{ n (total units in housing stock)}}$$
$$10,000 \text{ x} = 20,000,000$$
$$x = 2,000$$

In this example, the housing provider has 2% of the total units in the housing stock; therefore, the housing provider would be entitled to an equal proportion of funding which is also 2% or \$2,000.

***Funding Approval***

If capital funding is approved:

An agreement must be completed before capital funding is released

The Housing Administration Officer will:

- contact the social housing provider to discuss the terms of the agreement, and
- process a cheque requisition for the first payment, after approved documentation is received from the social housing provider
- send a copy of all agreements signed by the General Manager or those with delegated authority on behalf of the City:

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	<ul style="list-style-type: none"> <li>○ One (1) original copy is returned to the Housing Provider</li> <li>○ One (1) original copy is delivered to the City of Hamilton’s Legal Services</li> <li>○ One (1) original copy is delivered to the City of Hamilton’s City Clerk’s Office</li> <li>○ One (1) original copy is kept with the Housing Services Division in the project file.</li> </ul> <p>No payments to a social housing provider shall be issued without a fully executed contract in place.</p> <p>The City’s Social Housing Administration team is responsible for entering into and managing capital funding agreements.</p>	
<b>COMPLIANCE</b>	<p>Any housing provider who receives capital funding must adhere to the terms and conditions of the agreement, including any regular reporting requirements.</p> <p>Specific monitoring mechanisms to verify how funds were spent will be built into each agreement.</p> <p>Non-Compliance with this policy may impact funding and cash flow from the City to housing providers who provide social housing units to low-to-moderate income households. This may result in negative impacts to social housing units and to the tenants who live in them.</p> <p>The Manager of Social Housing is responsible for ensuring compliance with this policy.</p>	
<b>HISTORY</b>	<p>On April 13, 2016, Council passed the following motion: That Community &amp; Emergency Services staff be directed to report to the Emergency &amp; Community Services Committee with a policy for allocating intermittent additional capital funding from the provincial or federal governments to CityHousing Hamilton in an amount that is proportionate to the number of units in its inventory, subject to the terms and conditions associated with any such funding.</p> <p>On August 10, 2016 at Emergency and Community Services Council approved this Capital Funding – Proportional Allocation policy</p>	
<b>Approval</b>	<p>Author Name: Tammy Morasse, Senior Policy Analyst  Manager Name: Adam Sweedland, Manager of Social Housing  Director Name: Julie Western Set, Director of Housing Services  Date: 2016-08-10  City of Hamilton Council Approval: 2016-08-10 (CES16030)</p>	