

Clause No. 1 in Report No. 2 of the Commissioner of Community and Health Services was adopted by the Council of The Regional Municipality of York at its meeting held on November 13, 2014 with the following amendment:

**Add a further recommendation as follows:**

3. Staff report back in 2016 with an assessment on the adjusted eligibility criteria in the Home Repair program.

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**UPDATING THE YORK REGION HOME REPAIR PROGRAM**

**1. RECOMMENDATIONS**

It is recommended that:

1. Council approve the recommended adjustments to the eligibility criteria for the Home Repair program, effective November 2014.
2. Council delegate authority to the Commissioner of Community and Health Services to make minor adjustments to the program delivery and eligibility criteria from time to time provided those adjustments fall within the approved budget.

**2. PURPOSE**

This report recommends adjustments to the Region's Home Repair program as it transitions from the pilot phase to on-going delivery. The proposed adjustments will allow qualifying low-income homeowners who are not seniors or people with disabilities to apply for repair grants and ensures that program income and home value thresholds as well as maximum grant amounts are indexed over time.

The pilot program currently provides one-time grants of up to \$5,000 for seniors and people with disabilities to complete minor accessibility modifications or critical home repairs that are required to enable them to continue to live in their homes. The program launched as a pilot in 2013 (Phase 1) with Phase 2 rolling out in 2014. A third and final phase of the pilot is now underway.

### **3. BACKGROUND**

#### **Council approved the pilot program in November 2012**

The pilot program was developed following termination of both the Canada Mortgage and Housing Corporation's (CMHC) Residential Rehabilitation Assistance Program and the repair funding component of the Ontario Disability Support Program.

The 2012-2015 Federal/Provincial Investment in Affordable Housing (IAH) Program included an optional repair program called Ontario Renovates. Service Managers, including Halton Region, Region of Waterloo, and the cities of London, Hamilton, and Ottawa are delivering the provincial Ontario Renovates program. The Region informed Council in June 2012 that the Ontario Renovates program would be administratively complex and onerous for the Region to implement, and declined to participate.

Instead, at that time, the Region committed its share of IAH funding to the creation of new affordable rental housing and to a housing allowance program for applicants on the Region's waiting list for subsidized housing. At that time, Council directed staff to report back in fall 2012 with a proposal for a pilot program to assist low and moderate income seniors and people with disabilities to make minor modifications and repairs in their homes. On November 15, 2012, Council received Clause No. 5 of Report No. 9 of the Community and Health Services Committee and approved a \$500,000 Home Repair and Rehabilitation Pilot program.

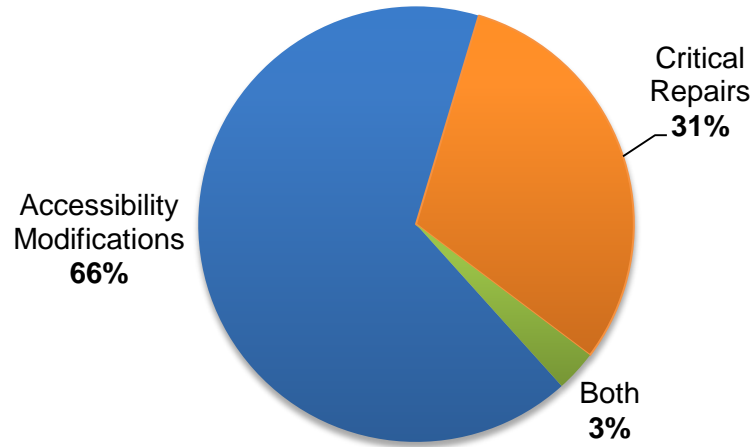
#### **Since the pilot launched in 2013, 168 households have applied and 98 households have received assistance**

The pilot program provided grants in two categories:

- **Accessibility modifications** (i.e. bathtub conversion, grab bars, ramp and stair lift installations). Accessibility modifications accounted for approximately \$269,000 in program spending over 2013 and 2014.
- **Critical repairs** (i.e. emergency sump pump repairs, replacement of leaking windows and roofs, foundation waterproofing, mould remediation and replacement of furnaces). Critical repairs accounted for approximately \$126,300 in program spending.
- Some homeowners required both accessibility modifications and critical repairs, which accounted for \$12,200 in program spending.

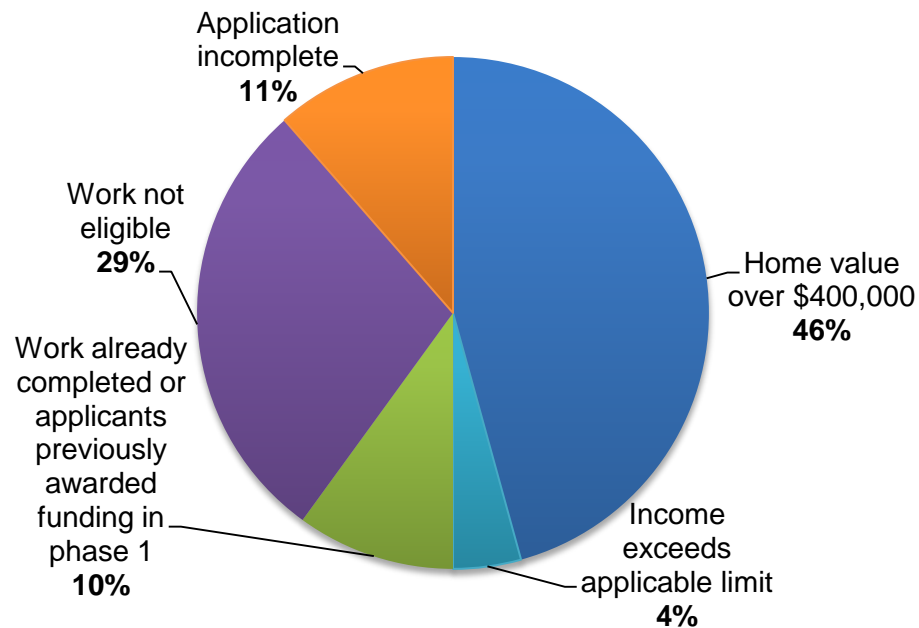
Chart 1 illustrates the breakdown of home repair grants approved in Phase 1 and 2 of the pilot program by type.

**Chart 1**  
Home Repair Grants Distributed by Repair Type, Phases 1 and 2



In total, 70 applications in Phase 1 and 2 were not approved for funding, as summarized in Chart 2.

**Chart 2**  
Reasons Applications Were Not Approved, Phases 1 And 2

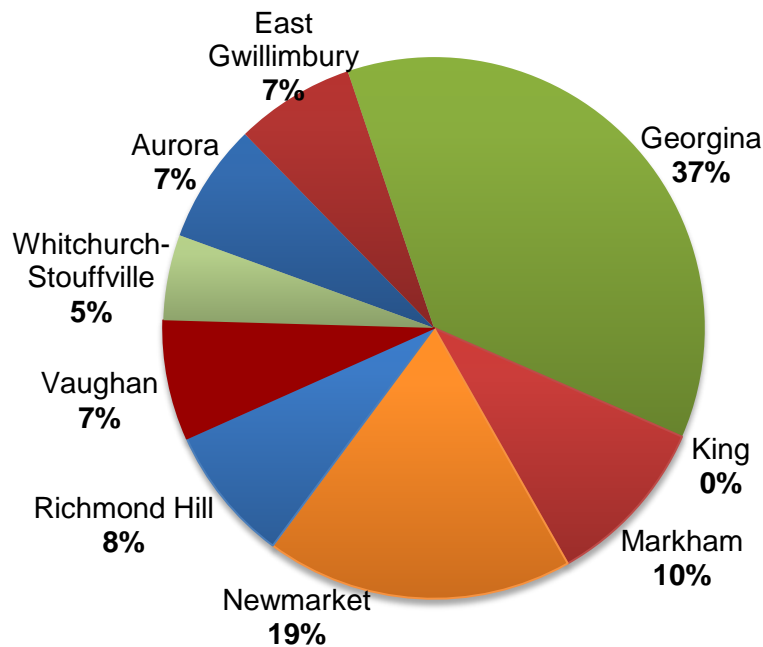


A small number of households were not approved as they applied for reimbursement for repair work or modifications that had already been completed. The program requires pre-approval prior to the work being carried out to ensure the homeowner has received reasonable quotes from contractors and that the work requested is eligible.

**Most applicants who received Home Repair program funding live in the Region's northern and central municipalities**

Chart 3 illustrates the number of households approved by local municipality. The relatively smaller number of applicants from the southern municipalities is likely due to the home value limit of \$400,000 as homes located in the southern part of the region are typically more expensive than in the northern and central municipalities.

**Chart 3**  
Households Approved by Local Municipality, Phases 1 and 2



#### 4. ANALYSIS AND OPTIONS

##### **Aligning the program's home value eligibility criteria with the Region-wide affordable home ownership threshold established under the Regional Official Plan will reflect home values in York Region**

The November 2012 report to Council that established the pilot program set a maximum eligible home price of \$400,000. Although this figure was consistent with the Regional Official Plan (ROP) affordable home ownership threshold at the time, the pilot program did not include a mechanism to index the eligible home price over time. The affordable home ownership threshold is established annually by Long Range Planning pursuant to the ROP. Annually updating eligibility for the Home Repair program to reflect changes in the ROP affordable ownership threshold will ensure that the program home values remain consistent with local market conditions.

Applying the 2013 Region-wide affordable ownership price of \$424,175 to the previous pool of applicants, an additional three households in the southern part of the Region would have received grants. Staff are also suggesting that a 5% buffer range be permitted. The additional 5% will provide the Commissioner with the flexibility to approve grants when the home value slightly exceeds the threshold but extenuating circumstances exist. Based on the experience gained in the pilot phase of the program, examples include

situations where a household doesn't have the funds to replace a tagged furnace but doesn't qualify because their home value is \$5,000 over the threshold or when a senior can't return home from hospital until costly accessibility home modifications are made and the home value is \$10,000 over the threshold. Applying the 5% approach, households applying this year will be eligible with homes valued at \$424,175 or lower, but could still qualify if there are extenuating circumstances and their homes are worth up to \$445,000.

### **Aligning the program's household income eligibility criteria to the 40<sup>th</sup> percentile of the income range will ensure the program continues to support low income households**

The pilot program's household income eligibility criteria reflect the moderate income threshold identified in the Human Services Planning Board publication *Making Ends Meet*. Moderate income was defined as double the Low Income Cut-Off (LICO). Program applicants had to refer to a table to find their household size and community size to determine their income eligibility. Double LICO ranges from \$36,492 for a single person in East Gwillimbury, for example, to \$106,194 for a 7-person household in Vaughan. Successful applicant households had incomes ranging from \$4,700 to \$68,000, with a median annual income of \$35,000.

Instead, the 40<sup>th</sup> percentile of the income range is proposed as the basis to update income eligibility criteria for the Home Repair program. The income threshold at the 40<sup>th</sup> percentile for 2013 was \$77,269. This number is updated annually by Long Range Planning based on the latest available Census data and the Consumer Price Index. Similar to the home value criteria, the proposed household income threshold is the 40<sup>th</sup> income percentile plus up to 5% of the threshold.

Moving to a single-income threshold will simplify the eligibility criteria for applicants. Updating the income limit annually to reflect the 40<sup>th</sup> percentile of the income range will ensure that the program continues to serve low-income home owners.

### **Reframing the program's target population will better respond to the needs of low-income York Region residents**

The primary focus of the pilot program was to fund accessibility modifications for people with disabilities and seniors aging in place. However, with the concurrent termination of CMHC and Ontario's repair and rehabilitation programs, the pilot also allowed funding for critical home repairs such as furnace or roof replacements.

Eligibility for the pilot was limited to households where at least one member was a senior or a person with a disability. Extending eligibility for critical repairs to low income households who are not seniors or people with disabilities will allow the program to more fully complement the Region's suite of housing stability and homelessness prevention programs.

### **Homeowners will be eligible to apply for funding more than once, up to a maximum of \$15,000 per household**

The pilot program limited grants to a one-time only maximum of \$5,000 per household. However, the average grant requested by homeowners in 2013 and 2014 was almost \$6,000. Quotes for work such as roof repairs, replacement of tagged furnaces and air conditioning systems often went beyond the \$5,000 limit. Some homeowners who received a grant in 2013 also inquired about receiving further financial assistance to complete additional necessary work in the home in 2014.

With the program transitioning from the pilot phase to on-going delivery, a life-time cumulative grant maximum of \$15,000 per household is recommended, with a single award limit of \$7,500 in 2015. The single award and life-time limit is prepared to be increased annually by Consumer Price Index to ensure that program grants retain their purchasing power over time. Adjusting the one-time grant maximum and the life-time maximum will better serve homeowners who may need more extensive repairs or modifications to continue to remain in their homes.

### **The program will move to a continuous delivery system**

The pilot phases were delivered to residents as “calls for applications” with a specific deadline date. As the program now has a continuous budget and dedicated staff resources to administer it, staff are recommending transitioning to a continuous intake system. Homeowners will be able to submit applications at any time throughout the year, and staff will evaluate the applications as received to determine eligibility. The program will continue to be advertised in local newspapers from time to time, and will have dedicated space on the Region’s website.

The eligibility updates proposed in this report, summarized below in Table 1, will support continuous delivery of the program.

**Table 1**  
 Comparison of Home Repair Pilot Eligibility Criteria to  
 Recommended Adjustments for Continuous Delivery

<b>Criteria</b>	<b>Pilot Criteria</b>	<b>Recommended Adjustments</b>
Home value	Based on Regional Official Plan (ROP) affordable home ownership threshold at time of pilot approval in 2012 (\$400,000)	Index of ROP affordable home ownership threshold, updated annually, to ensure program home values remain consistent with local market conditions, \$424,175 in 2013  Permit additional 5% buffer to allow Commissioner discretion to approve funding for households with extenuating circumstances
Household income	Based on double Low Income Cut-Off (LICO) corresponding to household size and community size. Ranged from \$36,492 to \$106,194	Align income limit with 40 <sup>th</sup> percentile of the income range, updated annually, \$77,269 in 2013  Permit additional 5% buffer to allow Commissioner discretion to approve funding for households with extenuating circumstances
Target population	People with disabilities and seniors aging in place requiring accessibility modifications and/or critical home repairs	Extend eligibility to low-income households requiring critical home repairs
Maximum grant amounts	One-time only award limit of \$5,000 per household	Single award limit of \$7,500 per household in 2015  Life-time cumulative grant maximum of \$15,000 per household in 2015  Both limits to be increased annually by Consumer Price Index



### **Link to key Council-approved plans**

The proposed updates to the Home Repair program advance Council's approved housing related goals. Vision 2051 includes a goal to ensure "appropriate housing for all ages and stages," and specifically identifies objectives of housing choices that match the needs of residents, and housing that supports health and sustainability.

The Region's 10-year Housing Plan includes a goal to "support home ownership affordability," and identifies delivery and evaluation of the Home Repair pilot as a priority action. Making the Home Repair program permanent will continue to fulfill this goal.

## **5. FINANCIAL IMPLICATIONS**

### **Funding for the pilot was allocated under the Community and Health Services Multi-Year Plan**

The initial Council-approved allocation for the pilot was \$500,000, made under the Multi-Year Plan which included an objective to explore innovative models to create housing affordability. Phase 1 of the pilot program was delivered in 2013 and awarded \$257,219 to eligible households. A further \$150,282 was awarded through Phase 2 and Phase 3 is currently in progress. If approved, revised program criteria proposed in this report will be applied to the Phase 3 grant awards.

The 2014 Home Repair program has an annualized budget of \$250,000. The proposed changes are not expected to significantly impact demand for the program. Grant applications will be reviewed throughout the year as they are received and awards in any given year will be capped at the approved program budget. Once program funds for a given year have been fully allocated, subsequent eligible applications will be deferred to the following year if they can wait, or be declined.

## **6. LOCAL MUNICIPAL IMPACT**

The Home Repair program provides low-income homeowners across all nine local municipalities with financial assistance to complete repairs and modifications to enable them to remain in their homes. The proposed updates to the program include provisions to annually update the program's income and home value eligibility criteria.

## **7. CONCLUSION**

To date, the Home Repair pilot program has assisted nearly 100 seniors and people with disabilities with completing accessibility modifications and critical repairs they need to remain in their homes. Updating the program eligibility criteria, as recommended in this report, will ensure York Region is responding to community needs as the program transitions to on-going delivery in 2015.

For more information on this report, please contact Kerry Hobbs, Manager, Housing Strategy and Program Delivery, at Ext. 72021.

The Senior Management Group has reviewed this report.