



# 2017 ONPHA Conference and Trade Show

Shaping  
OUR  
Future

## Session #209

Beyond RGI: Re-thinking  
tenant funding models

### PRESENTED BY:

Jody DeGagne, Manager, Housing Strategy and Program Delivery, York Region  
Kylie Evans, Supervisor, Rent Supplement, Housing Services Division, Region of Peel  
Tracy Galvao, Design and Development, Housing Services Division, Region of Peel  
Lori Trumper, General Manager, Kitchener Housing Inc. (Moderator)

# Rent Subsidy Models in York Region

Presented by:

Jody Degagne, Housing Strategy and Program Delivery,  
York Region

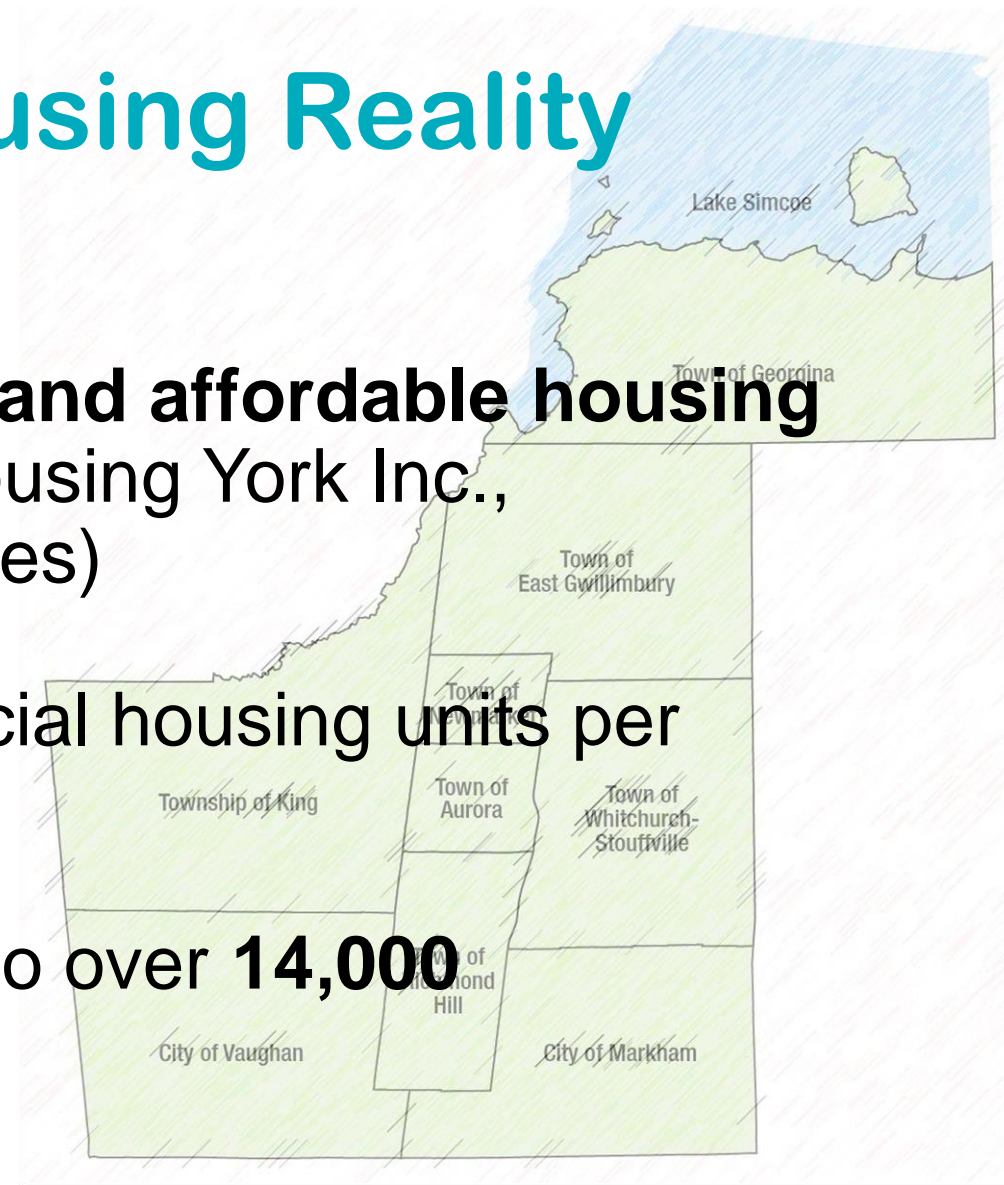
# Learning goals

1. Understanding the social and affordable housing reality in York Region
2. Moving beyond traditional models
3. Overview of subsidy models in York Region
4. Learn about the Tiered Rent Model



# Social and Affordable Housing Reality in York Region

- York Region administers **6,842 social and affordable housing units** across 51 housing providers (Housing York Inc., community non-profits and co-operatives)
- York Region has the lowest ratio of social housing units per 1,000 residents of all OMBI members
- The subsidized housing wait list grew to over **14,000 households** by the end of 2016



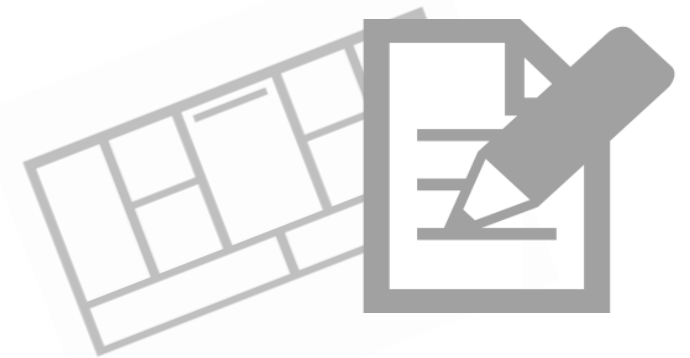
# Moving beyond traditional RGI models

- Growing demand and limited supply of rental units in York Region
- RGI is antiquated, complicated and expensive
- Flexible models will help to ensure affordable housing investments:
  - Are sustainable in the long-term
  - Address a broad range of housing need



# York Region delivers several subsidy programs

- Traditional Rent-Geared-to-Income (*Housing Services Act*, 2011)
- IAH Housing Allowance Program
- Short-Term Assistance For Renters Program (STAR)
- Regional Rent Assistance Program
- Tiered Rent Model



Evolving rent subsidy models



# Regional Rent Assistance Program

- Tax levy-funded program introduced in 2010
- Provides rent subsidies in affordable housing projects
- Currently funds 266 units in 6 non-profit housing communities

Tony Wong Place





# Regional Rent Assistance Program

- Based on line 150 of the income tax return
- Rents calculated annually – mid-year adjustment only occurs if the tenant experiences an annual income loss of 20% or more

**Mackenzie Green**



- Utility allowance – based on average actual costs
- OW and ODSP – rents based on maximum shelter allowance
- Minimum rent set at OW maximum shelter allowance for one person





# Tiered Rent Model

## Program Principles:

- Program rules are **simple, transferrable, transparent** and **fair**
- Rent revenue must cover **operating costs** and **reserve fund contributions**
- **Subsidized housing wait list** used to fill as many units as possible
- Tenants pay between **25% and 35% of income** towards rent
- Rent revenue also **generates a surplus** to support future development, where possible



# Tiered Rent Program Example

- 202 unit mixed use building
- The building is debt free
- No ongoing rent subsidies
- Provides affordable rents to a fixed range of household incomes through tiered rent program



# Rent Bands and Tenant Income Ranges

Rent Level	Tenant Income Range (\$) MinMax		Unit Type	Target Plan (# of Units)	Rent*
Band 1 Economic Rent	80,001		1 bed		\$2,030
			2 bed		\$2,315
Band 2 (Affordable Market Rent)	80,000		1 bed	18	\$1,225
			2 bed	4	\$1,400
	Subtotal			22	
Band 3 (80% of Affordable Market)	34,001	41,000	1 bed	73	\$980
	40,001	48,000	2 bed	7	\$1,120
	Subtotal			80	
Band 4 (65% of Affordable Market)	27,001	34,000	1 bed	20	\$796
	32,001	40,000	2 bed	0	\$910
	Subtotal			20	
Band 5 (50% of Affordable Market)	21,001	27,000	1 bed	36	\$613
	24,001	32,000	2 bed	7	\$700
	Subtotal			43	
Band 6 Minimum Rent Band (35% of Affordable Market)	21,000		1 bed	35	\$429
	24,000		2 bed	2	\$490
	Subtotal			37	
TOTAL				202	



# Benefits of Tiered Rent Program

- 90% of tenants in the building pay a reduced rent
- Majority of tenants selected from the Region's subsidized housing waitlist
- Self-sustaining – requires no annual funding from the Region
- Simple program rules and predictable rent for tenants
- Cost effective to administer



# Challenges of Tiered Rent Program

- Wait list system is not set up for this model
- Implementation time
- Limited portability for new buildings
- Managing expectations and values

**“THE HARDEST PART  
ABOUT GROWING IS  
LETTING GO OF WHAT YOU  
WERE USED TO, AND  
MOVING ON WITH  
SOMETHING YOU'RE NOT.”**

**Bottom Line: CHANGE IS GOOD BUT IT'S HARD**



# Things that we would do differently

- Set bands as a percentage of income within a range and not as discount off the market rent
- Make sure business processes (staff training, tools and technology) are set-up before implementation
- Increase communication with wait list applicants



# Next Steps

"THE SECRET OF  
CHANGE IS TO FOCUS  
ALL OF YOUR ENERGY,  
NOT ON FIGHTING THE  
OLD, BUT ON BUILDING  
THE NEW."

— SOCRATES

- Refine the tiered rent model
- Replicate the model in new developments
- Explore opportunities to use the model as an alternative to traditional rent-geared-to-income





# Thank You!

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**209**

### **Beyond RGI: Re-thinking Tenant funding Models**

PRESENTED BY:

**Kylie Evans**, Rent Supplement, Housing Services

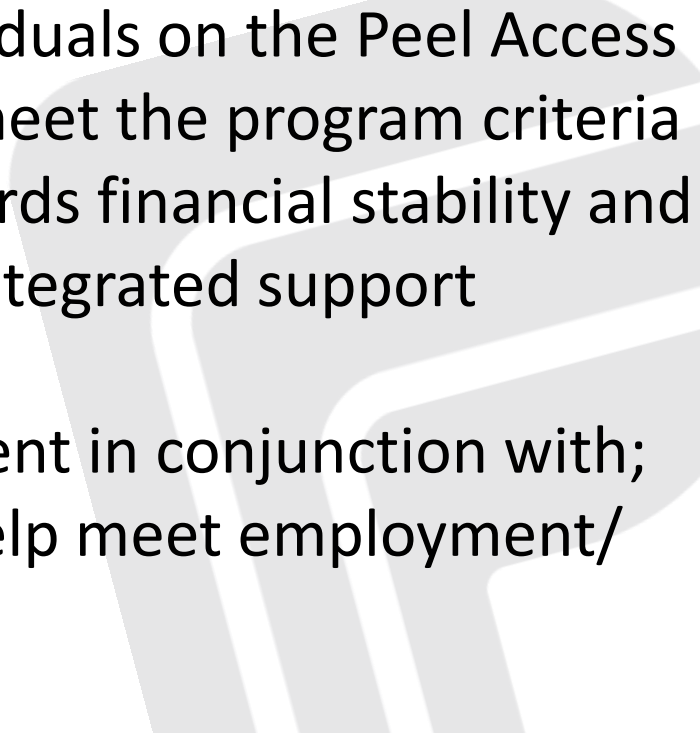
**Tracy Galvao**, Design & Development, Housing Services

# Learning Goals

- What is the Time-Limited Housing Allowance (TLHA) Pilot Program?
- Why Peel implemented this model
- Criteria for Participation
- Program Details
- Partners in Delivery
- Measurement and Evaluation
- Lessons Learned
- Where are we at? Numbers to date
- Outcomes and moving forward

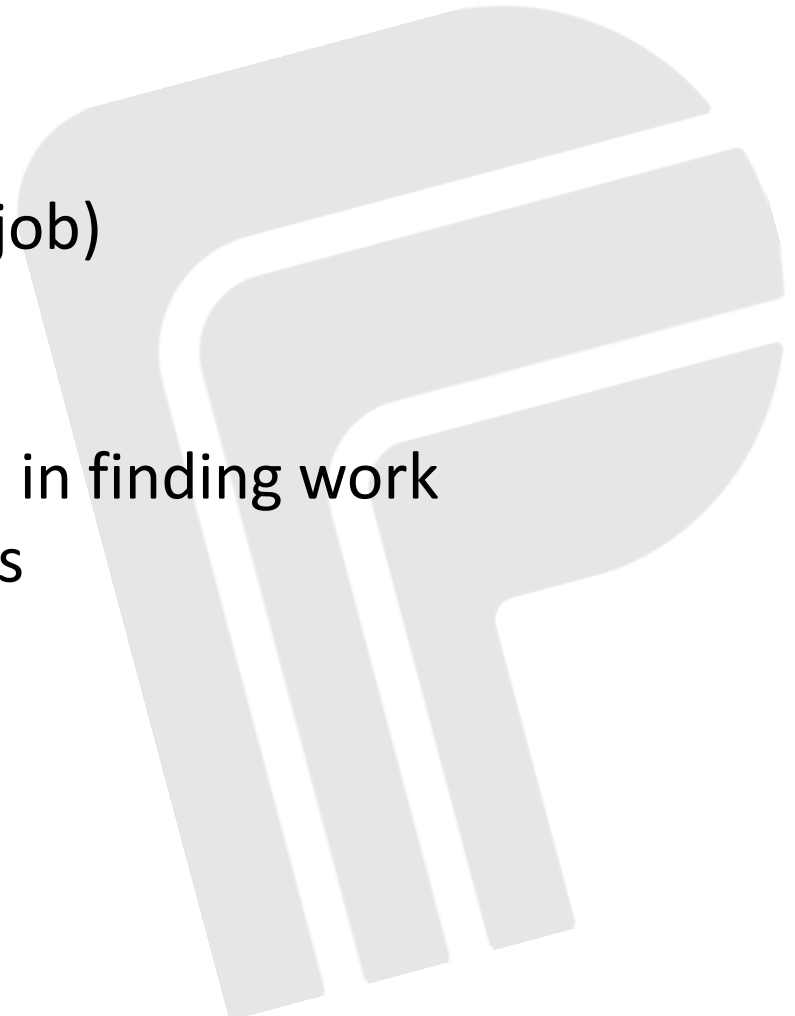


# What is the Time-Limited Housing Allowance Pilot Program?

- Voluntary program open to individuals on the Peel Access to Housing (PATH) wait list who meet the program criteria
  - Enable households to move towards financial stability and self sufficiency with the help of integrated support services
  - **Housing Allowance** to help pay rent in conjunction with;
  - **Employment Services (OW)** to help meet employment/income goals & other Supports
  - Program duration of 5 years
- 

# Some of the challenges to financial stabilization

- **Not** paid well enough
- **Skills** need enhancing
- **Need** a better job (or only one job)
- **Rent** too expensive
- **Debt** is too high
- **Partner /Spouse** not interested in finding work
- **Not** enough payable work hours

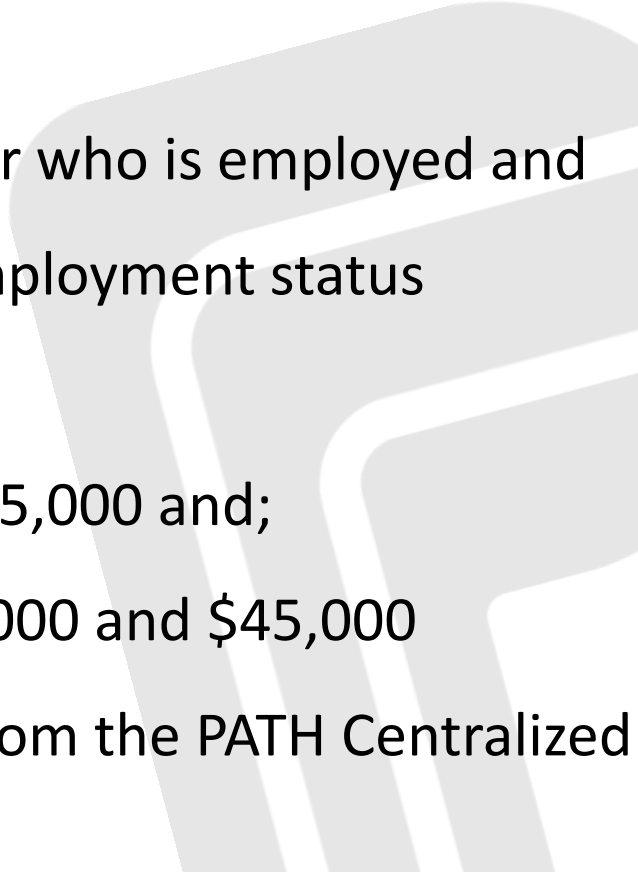


# Why Peel implemented this model - the Research

- Modelled after similar programs in USA
- Motivates families to succeed
- Offering support services with a housing allowance was shown to have a positive effect on self-sufficiency

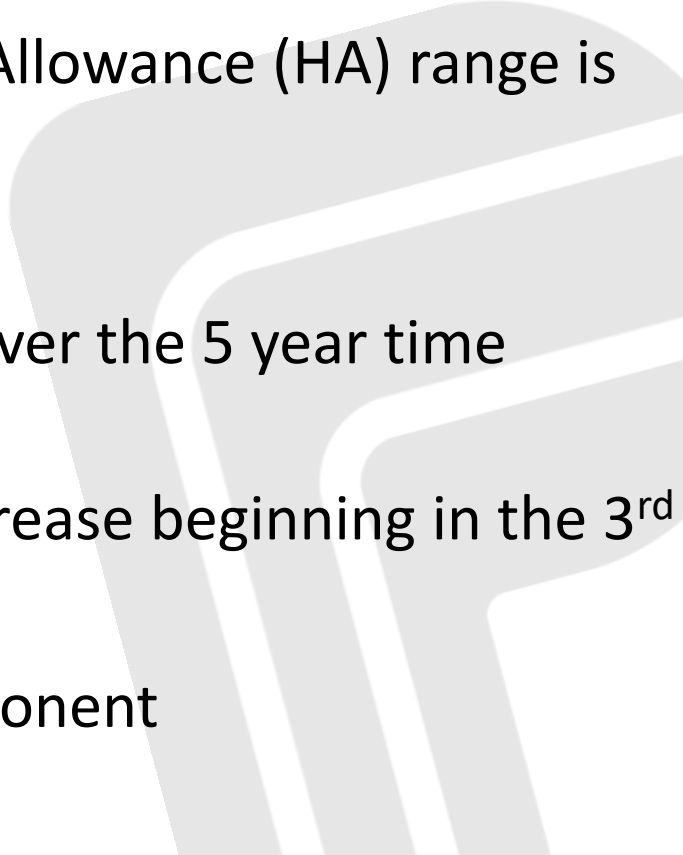


# Criteria for Participation

- Live in the Region of Peel
  - Not receiving a rent subsidy
  - Employed or have a household member who is employed and interested in bettering their current employment status
  - Have a annual household income of:
    - single led between \$32,500 and \$45,000 and;
    - two parent families, between \$25,000 and \$45,000
  - Sign a consent to remove their name from the PATH Centralized Wait List
- 



# Program Details

1. Program duration of 5 years
  2. Portable (in Peel Region) Housing Allowance (HA) range is up to \$550
  3. Annual income review
  4. Housing Allowance will decrease over the 5 year time period to “\$0”
  5. Implement housing allowance decrease beginning in the 3<sup>rd</sup> year of the program
  6. Participation in employment component
  7. Hardship Clause
- 
- A large, light gray, stylized number '5' is positioned on the right side of the slide, partially overlapping the list items. It has a thick white outline and a slight 3D effect with a darker gray shadow.

# Partners in Delivery

- Housing Services
- Employment Services
- Health Services



# Housing Services

- Applicant selection process
- Administration of housing allowance
- Annual file review



# Employment Services



# Employment Services – Participant Pathway

Each journey is different...

A person may only need some job search assistance. Their plan could look like...

- Update resume
- Create cover letter
- Assist with job search
- Refer to EDS position
- Job retention supports

Someone else may have a different plan.

- Seek out training at current job or something outside of work
- Learn a new skill/career
- Seek internal opportunities for advancement

Someone else may need something entirely different!  
There is no shame in saying that some people may want to work on themselves! Stress is reality and can impact...

**\*Mental Health**

**\*Motivation**

**\*Physical Health**

**\*Confidence**

**\*Decisions**

# Measurement & Evaluation

- Collaborative team with members from across Human Services and Health worked to develop a logic model
- The logic model lays out the anticipated immediate (short-term), intermediate (medium-term), long-term and ultimate outcomes of the TLHA program
- Developed an Evaluation Matrix



# Lessons Learned

- Income bracket changes mid-program (as we looked at what it would take to be able to afford market)
- Single households preferred to stay in current living situation (sharing, affordable, not interested in moving)





# Where are we at?

- 300+** participants screened in at intake
- 74** participants attended the mandatory info session
- 31** participants were accepted into the program and are off the CWL
- 3** participants actively searching for a self contained unit
- 8** of the 32 active participants have increased their employment income since enrollment. This represents 25% of the participants
- 35** ESW caseload

# What have we heard?

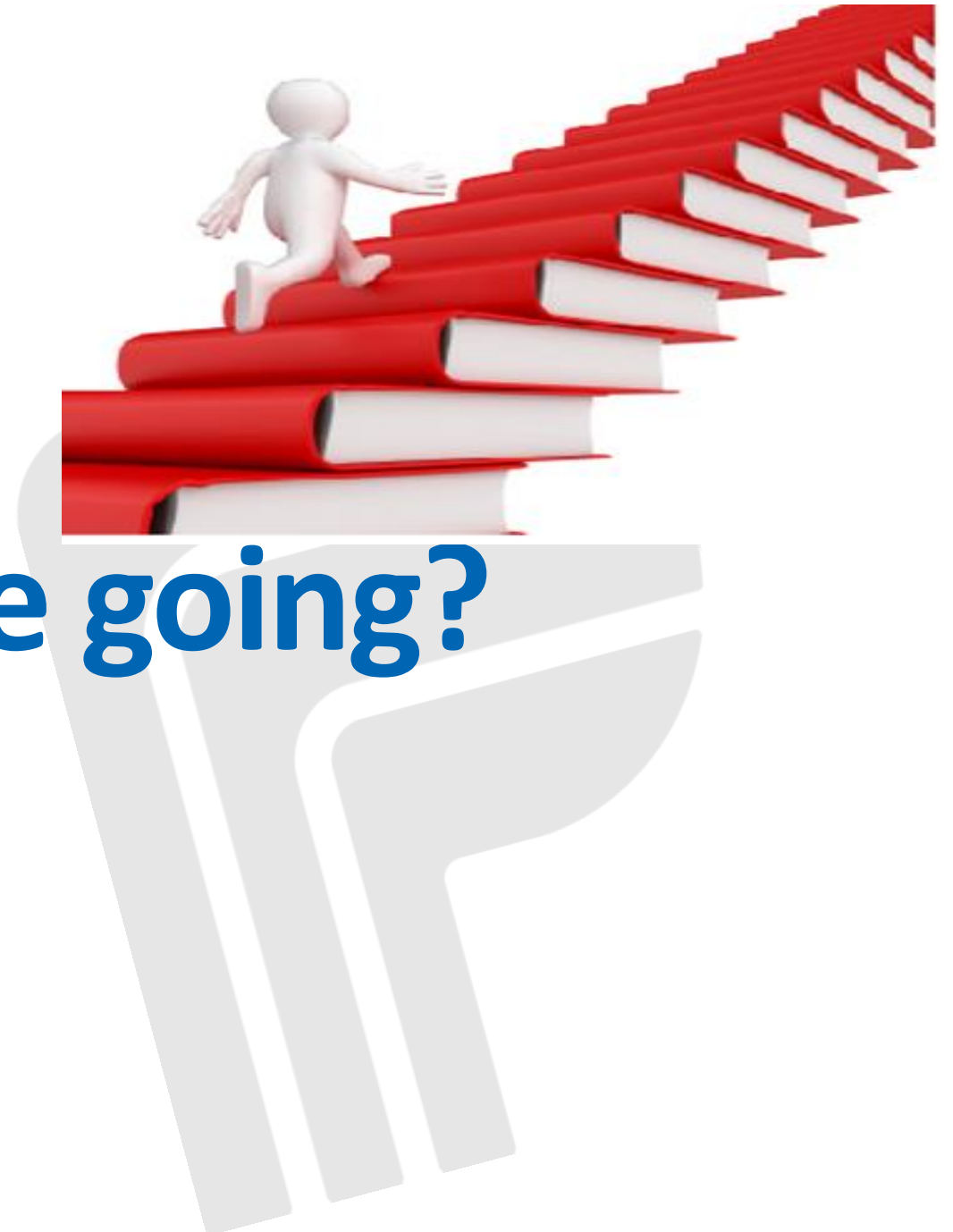
## Information Sessions – Feedback

Interested in the TLHA Program	55 of 59	93.2%
Reasons	#	%
I can receive housing allowance for up to 5 years	44 of 55	80%
I am interested in finding a new job to increase my income	41 of 55	74.6%
I will receive employment support to develop my job skills	37 of 55	67.3%
I do not want to be on the CWL any longer	11 of 55	20%
Not Interested in the TLHA Program	4 of 59	6.78%
Reasons	#	%
I do not want to be removed from the CWL	6 of 6	100%
I am not interested in changing my job	2 of 6	33.3%
I currently do not live in a self-contained unit and I do not want to move from my current residence	1 of 6	16.7%
I do not see myself living in Peel for the next 5 years	1 of 6	16.7%

# What have we heard? (Continued)

- Participant Successes

**Where are we going?**



# Thank You

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# Thank you!

*ONPHA values your opinion. Please complete a session evaluation.*