

REPORT TO THE BOARD OF DIRECTORS

DATE PREPARED: January 5, 2024	PROGRAM: Board Administration
MEETING DATE: January 18, 2024	REPORT NO: BR2024-002
PREPARED BY: Henry Wall, Chief Administrative Officer	
SUBJECT: 2024 Kenora District Municipal Association Resolutions	

Introduction:

To seek Board of Directors approval and authorization to submit a number of resolutions to the Kenora District Municipal Association's consideration at their Annual General Meeting taking place in the City of Kenora February 8,9 and 10, 2024.

Background & COMMENTS:

There are number of program funding changes which are and will be occurring over the coming years which will have a direct impact on the Kenora District Services Board and the nine (9) municipalities.

The Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative funding programs are two programs that are intended to support the KDSB and the district municipalities to ensure that the existing legacy community housing programs are renewed, protected, remain affordable and that there is capacity to expand the supply.

In 2022/23 the Ministry of Municipal Affairs and Housing changed the funding formula and allocation. While the rationale or parameters of the new funding formula are unknown to the KDSB and to other service managers, the impacts are to the KDSB are significant.

The annual loss in funding (compared to the 2019 base year) is \$551,301 in 2024 and will grow to approximately \$1.6 million annually by 2028.

	2019	2023	2024	2025	2026	2027	2028
Canada-Ontario -SHF	\$2,228,287	\$1,561,646	\$1,106,665	\$732,995	\$367,689	\$337,120	\$59,264
Rent Sup	\$64,721	\$42,091	\$37,672	\$20,189	\$20,188	\$20,188	\$445
COCHI	\$158,030	\$836,100	\$892,000	\$892,000	\$892,000	\$892,000	\$892,000
OPHI	\$366,100	\$237,900	\$229,500	\$229,500	\$229,500	\$229,500	\$229,500
Total Funding:	\$2,817,138	\$2,677,737	\$2,265,837	\$1,874,684	\$1,509,377	\$1,478,808	\$1,181,209
Annual Loss in funding (2019 Base)		\$139,401	\$551,301	\$942,454	\$1,307,761	\$1,338,330	\$1,635,929

The net loss in annual funding for 2024, had an estimated 3.63% impact on the Local Levy to the Municipalities. If the net loss in annual funding continues, by 2028 the annual loss will be an estimated \$1.63 million or 10.77 +/-% impact to the municipality levy from the KDSB.

It is important that the District Municipalities join the KDSB in supporting its position on calling on the Minister of Municipal Affairs and Housing to change the COCHI and OPHI funding allocation formula so that Ontario Housing Service Managers continue to receive, at minimum, an allocation that will offset the ongoing annual funding decline from the Canada-Ontario Social Housing Agreement setting 2019 as the base year.

The attached resolution has been drafted for the consideration of KDMA.

In 2019, the Board of Directors entered into an agreement with Canada as a Reaching Home Community from 2020-2024.

The KDSB's Reaching Home funding for 2020-2024 was as follows:

	2020-21	2021-22	2022-23	2023-24	Total:
Based Funding	\$244,326	\$377,782	\$377,782	\$377,782	\$1,377,672
Supplemental		\$467,595	\$400,172	\$396,311	\$1,264,078
Total Funding	\$244,326	\$845,377	\$777,954	\$774,093	\$2,641,750

Through the funding the Board of Directors (Community Advisory Board) approved and allocated the funding for the following important community initiatives:

Program	Amount
Sioux Lookout Emergency Shelter	\$1,005,044
Red Lake Second Stage Housing (Victims of Violence)	\$108,645
Kenora Second Stage Housing (Victims of Violence)	\$170,000
Kenora Transitional Housing - Transitional Aged Youth	\$200,000
Kenora Rent Supplement Program	\$63,000
Kenora Case Management and PeerSupport	\$165,000
Kenora Food Security	\$91,125
Dryden Food Security	\$40,000
Sioux Lookout Food Security	\$10,000
District Emergency Shelter Supports	\$172,416
HIFIS	\$90,000
Coordinated Access	\$130,259
Program Supports	\$396,262
Total Committed:	\$2,641,750

Canada has recommitted to KDSB being a Reaching Home Community for 2024/25 through to 2027/28.

However Canada is reducing the KDSB's funding as follows:

	2024-25	2025-26	2026-27	2027-28	Total:
Based Funding	\$377,782	\$377,782	\$377,782	\$377,782	\$1,511,128
Supplemental	\$364,342	\$364,342	\$0	\$0	\$728,684
Total Funding	\$742,124	\$742,124	\$377,782	\$377,782	\$2,239,812

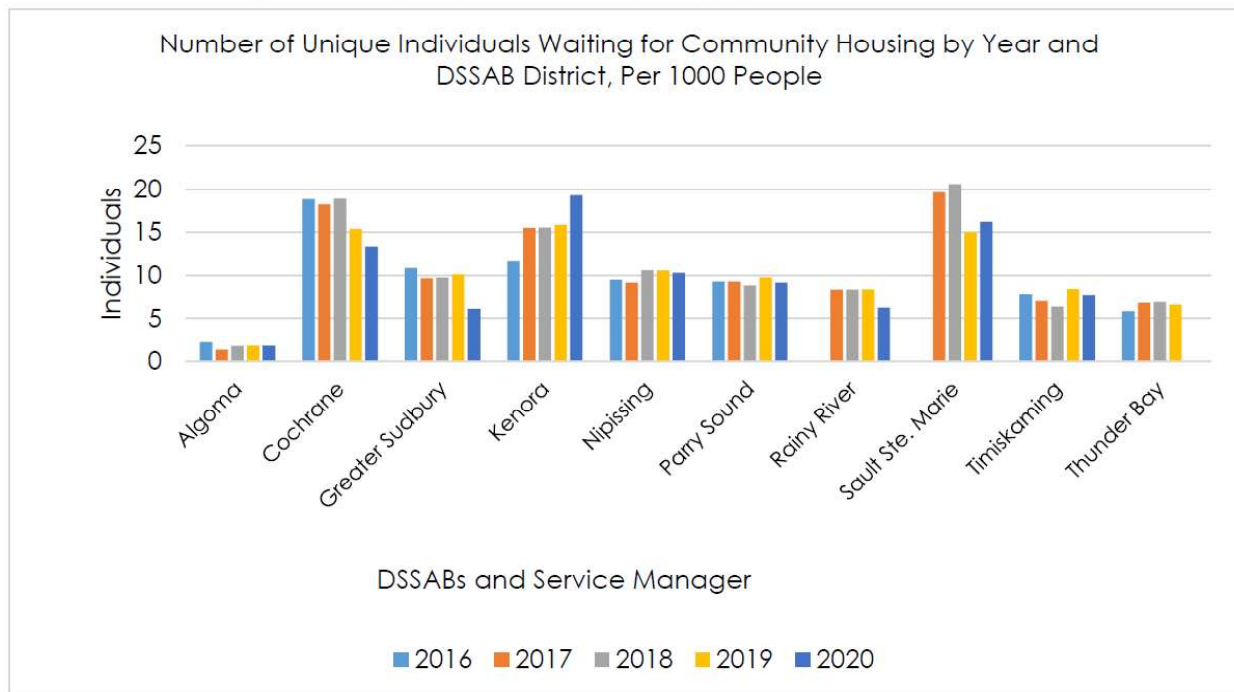
The new funding allocations are not what we were expecting nor are in need of.

Should the allocations for 2026-27 and 2027-28 remain as they are, the KDSB will be forced into a position in which it will need to decide which community programs and services need to be reduced or have funding cut for. This is a decision that the Board of Directors should not have to make given how much of the homelessness being experienced in the District is the result of failed Federal policy.

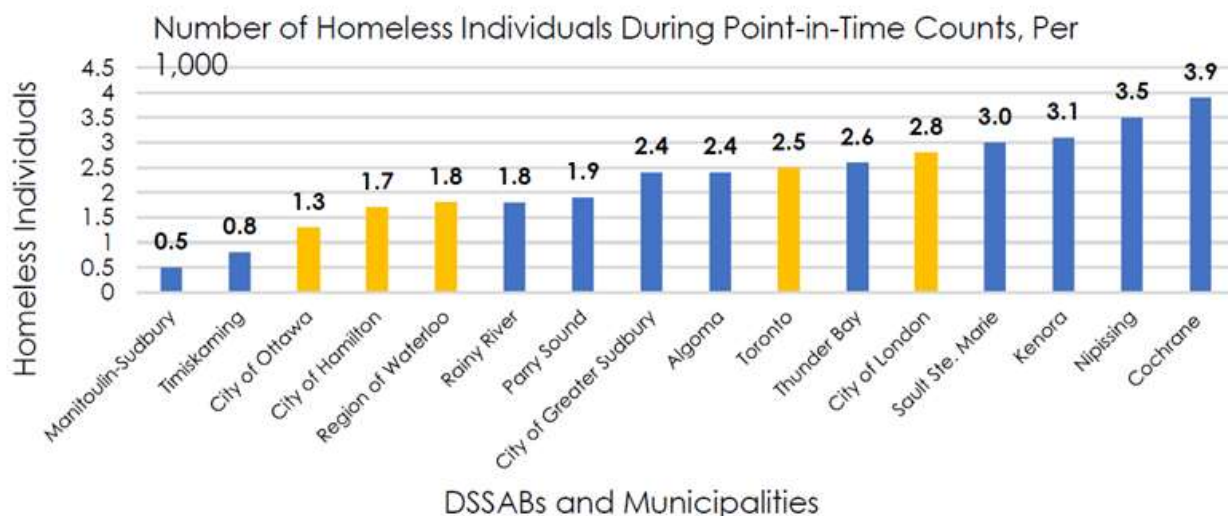
It is important that the District Municipalities join the KDSB in supporting its position on calling on the Minister of Infrastructure Canada to change the funding allocation in recognition of that Canada needs to support rural and remote communities just as much as it is supporting the larger urban centres. Rural and remote communities such as the municipalities in the District of Kenora are facing homelessness challenges that are far greater in magnitude than are being faced by large urban centres like Ottawa, Waterloo or Toronto.

In terms of households waiting for community housing as a ratio of 1,000 people, the Kenora District had the most in 2020 at nearly 20 per 1,000 population.

Community Housing Waitlist Per 1000 People 2016-2020



In terms of number of homeless individuals per 1,000, the District of Kenora ranked 3rd of all service manager regions in Ontario in 2021.



The attached resolution has been drafted for the consideration of KDMA.

Financial Considerations: N/A

Legislative/Risk Assessment: N/A

Conclusion:

The changes to the COCHI, OPHI and Reaching Home funding programs have and will continue to have a significant impact financial impacts on the KDSB and District Municipalities. A joint advocacy strategy is one of the only ways to push Ontario and Ontario to change the erroneous funding allocation models for the KDSB.

Reference Materials Attached:

2024 KDMA Resolution – Canada-Ontario Community Housing Initiative and Ontario Priorities Housing Initiative
2024 KDMA Resolution – Reaching Home

Recommendation(s): That the Board of Directors approved the 2024 Kenora District Municipal Association (KDMA) Resolutions as presented in Board Report BR2024-002; and further

That the Board of Directors authorize the Chief Administrative Officer to forward to resolutions to the KDMA executive for consideration and presentation at their Annual General Meeting in February 2024.

Chief Administrative Officer

January 9, 2024

Date