

Our File/N/Réf.  
 Your File/V/Réf.

DATE 24 August 2000

TO/DEST. Co-ordinator, Community Services Committee

FROM/EXP. A/Director of Social Housing

SUBJECT/OBJET **FUNDING ALLOCATIONS UNDER THE RESIDENTIAL  
 REHABILITATION ASSISTANCE PROGRAM (RRAP)**

---

### DEPARTMENTAL RECOMMENDATION

**That the Community Services Committee recommend that Council request the federal Minister responsible for Canada Mortgage and Housing Corporation, the Honourable Alfonso Gagliano to :**

- 1. re-distribute RRAP funding so as to shift the priority to rental and rooming house stock, recognizing the urgent need to preserve this stock, particularly for persons at risk of becoming homeless; and**
- 2. increase the RRAP allocation for Ottawa-Carleton to better reflect the dire need for affordable rental housing in our municipality which has the lowest vacancy rate in Canada.**

### BACKGROUND

In December 1998, the federal government announced a special allocation of the Residential Rehabilitation Assistance Program (RRAP) to assist with meeting the needs of the homeless. This amounted to \$50 million Canada-wide approximately doubling the annual base allocation of \$50 million. In Ottawa-Carleton, a total of \$3.3 million was approved from this allocation for renovations to apartments and rooming houses and for the creation of 89 new units. The program was delivered between January-March 1999.

In December 1999, the Minister Responsible for Homelessness, the Honourable Claudette Bradshaw and the Minister Responsible for CMHC, the Honourable Alfonso Gagliano announced that the

Government would invest, between 2000-2004, \$753 million to help alleviate and prevent homelessness across Canada. The cornerstone of the federal strategy is the new Supporting Communities Partnership Initiative, through which the government will invest \$305 million to provide funding to plan and implement comprehensive local strategies to prevent and reduce homelessness in affected communities.

Another component of the federal strategy involves a \$268 million increase in funding for the Residential Rehabilitation Assistance Program over the same five year period. When added to the annual base allocation, this enhanced funding results in a total federal contribution to RRAP of approximately \$100 million each year. RRAP embraces a number of renovation programs serving homeowners, persons with disabilities, landlords of affordable rental housing and rooming houses, non-residential conversions, homeowners on reserves and in rural and remote areas for emergency repairs, and seniors for home adaptations.

### FUNDING

Generally, funding for the various renovation programs is distributed across the country based upon a formula, which considers the percentage of low-income households with repair needs as derived from the census. The distribution of funding across Canada reflects each jurisdiction's relative share of need. Of the national RRAP allocation for 2000/2001 (\$100.2 million), Ontario received \$29.4 million and Eastern Ontario (one of six planning areas within the province) \$3.9 million. The Region of Ottawa-Carleton received \$1.6 million, allocated as follows:

Rental/Rooming House RRAP:	\$ .5 million
Conversion RRAP:	.2 million
Homeowner RRAP:	.6 million
Disabled RRAP:	.3 million

Where there are a greater number of households with repair needs under a specific program, a planning area will receive a higher share of that program budget relative to the other planning areas. In Ottawa-Carleton, for example, allocations to Rental/Rooming House, Conversion and Disabled RRAP were proportionately greater than the national average, reflecting the higher percentage of low-income renter households in the urban area. Conversely, the allocation for Homeowner RRAP was relatively less and for the Emergency Repairs and Seniors Home Adaptations, non-existent.

Despite federal enhancement of the RRAP program, Ottawa-Carleton has been allocated less than fifty percent of the funding received last year. It has been explained that the special RRAP allocation announced December 1998 involved the redirection of other budget lines (for example Homeowners RRAP) to the Rental and Rooming House envelope, in response to the needs of the persons who were homeless or at risk of becoming homeless. As projects funded by this program were in larger urban centres, some cities, including Toronto and Ottawa, received commitments far in excess of their annual

base allocations. For 2000/2001, the allocation has returned to the needs based methodology for distribution of the full budget.

While the \$3.3 million in additional RRAP funding received last year was useful in meeting housing needs in Ottawa-Carleton, it represents a fraction of the assistance still required. There continues to be 11,000 rental dwellings, which are in need of major repair in this region and over 15,000 households on the waiting list for social housing. The 2000/2001 allocation of \$.5 million to Rental/Rooming House RRAP will make barely a dent in that need. A reallocation of some portion of the total RRAP envelope to this component is essential and entirely consistent with the federal government commitment to alleviating and preventing homelessness across Canada.

### FINANCIAL IMPACT

This has no impact on the Regional budget.

### PUBLIC CONSULTATION

City of Ottawa staff involved with the Residential Rehabilitation Assistance Program had input to this report.

*Approved by  
Marni Cappe*