

Indigenous Supportive Housing Program (ISHP)

Program Guidelines

April 2022



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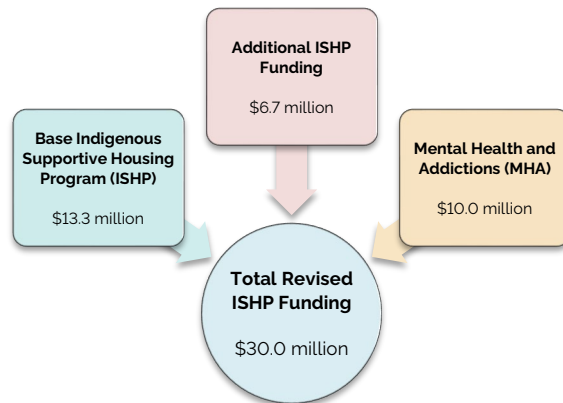
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Introduction

The Indigenous Supportive Housing Program (ISHP) has been designed to be administered by Indigenous organizations for Indigenous people in need of housing and support services. The program makes available \$30 million in annual funding beginning in 2022-23 and is divided into two streams: 1) Base ISHP stream; and 2) Mental Health and Addictions (MHA) stream.

IPA Funding in the 2022-23 Fiscal Year and ongoing



These program guidelines are effective April 1, 2022 and may be updated or amended from time to time.

Context

Supportive housing is widely recognized as being a key component to assisting people living with complex physical and mental health issues to achieve and maintain housing stability. When delivered appropriately, supportive housing is proven to prevent homelessness and to assist people with lived experience of homelessness to secure and maintain housing.

The Multi-Ministry Supportive Housing Initiative (MMSHI) is a joint initiative between three ministries – the Ministry of Municipal Affairs and Housing (MMAH), the Ministry of Health (MOH), and the Ministry of Children, Community and Social Services (MCCSS) – which together have 17 supportive housing programs (as of January 2022) assisting people with a wide range of needs.

In 2019, the province committed to reviewing Ontario's supportive housing system to help identify opportunities to streamline and improve coordination so that people can get the help they need. The review focused on two overarching objectives:

- **Improving services for people** (i.e., people with diverse needs have access to the right housing and supports, enabling them to maintain their housing and live as independently as possible).
- **System efficiency** (i.e., system design ensures that funding is spent where it has the greatest

impact on people in the most efficient way).

In late 2020 through early 2021, MMAH, MCCSS, and MOH undertook a virtual engagement to seek input and feedback from key stakeholders, partners, Service Managers and Indigenous Program Administrators and providers on how the government could improve the supportive housing system. Some of the feedback received included that the government consider:

- Reducing administrative and reporting burdens within and across programs.
- Providing greater flexibility within supportive housing programs to address both capital and operating funding needs.
- Additional funding to support the long-term sustainability of projects and increased capacity where needed to support individuals who need high intensity supports as well as linguistically and culturally appropriate service delivery models.

Indigenous housing providers in particular were clear on a need for stable, ongoing sources of funding to address the challenges many people experiencing homelessness face and to help them achieve housing stability.

Summary of Changes in 2022-23

Key ISHP program changes starting in April 2022 include:

Key Change

- *Incorporating the previously announced \$10 million in Mental Health and Addictions (MHA) funding* into the program as a stable, ongoing funding stream.
- *Increased overall funding:* the ISHP funding envelopes consists of previous base funding of \$13.3 million, and an additional ongoing increase of \$6.7 million. Together with the MHA funding of \$10 million for MHA above, this brings the total funding under the program to \$30 million in 2022-23.
- *Capital expenses:* Indigenous Program Administrators (IPAs) will be able to allocate as much or as little funding of the ISHP Base stream of funding as needed to capital spending that supports the creation and renewal of supportive housing. Capital funding would be provided at specific milestones through the construction phase of the project.
- *Administrative efficiencies:* Agreements between IPAs and Service Providers (housing assistance agreements/support services agreements) and Service Providers and agencies (support services agreements) must be retained on file, but submission to the Ministry is no longer required, unless requested. As well, the ISHP Agreement will incorporate MHA funding and reporting to limit the number of separate take-up documents and reports that IPAs need to complete and submit, helping to focus administrative efforts on frontline program delivery.

Roles and Responsibilities

MMAH and IPAs will be responsible for specific tasks, including but not limited to:

Province	IPAs
Establishing the policy framework and Program Guidelines, taking into account the feedback received from Indigenous Housing partners.	Engaging in planning activities related to program delivery, which may include assessing service needs, identifying partners, and developing planning processes.
Ensuring administrative accountability for the ISHP.	Delivering services and administering the program in accordance with these Program Guidelines and the Transfer Payment Agreement.
Entering into Transfer Payment Agreements with IPAs.	Entering into Transfer Payment Agreements with the Province.
Administering funding.	Creating, entering into, and monitoring service contracts with service providers as appropriate.
Assisting with developing, reviewing and approving Investment Plans and quarterly reports.	Submitting annual Investment Plans outlining how program funds (including administrative funding) will be used and submitting quarterly reports outlining use of funds, including the collection of performance indicator data.
Approving capital projects for funding.	Soliciting and reviewing capital project proposals and submitting to the Ministry for funding approval. Monitoring capital project progress and affordability requirements.
Monitoring compliance with the Transfer Payment Agreement and Program Guidelines.	Complying with the requirements in the Transfer Payment Agreement and Program Guidelines.
Taking appropriate and progressive corrective action for non-compliance with the terms and conditions of the Transfer Payment Agreement and Program Guidelines.	Submitting timely reporting.

MMAH is required to comply with financial management directive and policies as issued by the government. These directives and policies include the [Transfer Payment Accountability Directive](#) and the [Transfer Payment Operational Policy](#).

Where applicable, these directives and policies inform and constrain MMAH. All ministry specific and Treasury Board financial management policies are subject to Public Sector Accounting Standards.

Key Dates and Timelines

Report	Due Date	Details
Investment Plan	April 15 th of each year	Projected quarterly expenditures by Stream and Service Category. Projected households assisted and units created and repaired. Details on proposed use of funding.
Q1 Report Back	July 15 th of each year	Actual quarterly expenditures and commitments for Q1 and projected quarterly expenditures and commitments for Q2-Q4 by Stream and Service Category.
Q2 Report Back	October 15 th of each year	Actual quarterly expenditures and commitments for Q1 and Q2 and projected quarterly expenditures and commitments for Q3 and Q4 by Stream and Service Category.
Deadline for Capital Commitments for New Facilities	November 30 th of each year	Deadline to execute Contribution Agreements and submit executed Agreements of Purchase and Sale (for acquisition projects), registration of mortgage security or an alternate form of security (for conventional, conversion, or modular housing projects)
Q3 Report Back	January 15 th of each year	Actual quarterly expenditures and commitments for Q1-Q3 and projected quarterly commitments and expenditures for Q4 by Stream and Service Category. Attestation that IPA intends to fully take-up all funding by fiscal year end.

Year End Report	May 31 st of each year for the previous program year	Actual quarterly operating expenditures and capital commitments for previous program year. Performance indicator reporting for previous program year.
French Language Services Report	May 31 st of each year for the previous program year	Report to the ministry annually confirming that the requisite French language services are being provided by IPAs who are servicing an area that is designated under the French Language Services Act

The Ministry reserves the right to request additional reporting as required.

Future Fiscal Years

Please note that funding allocations for the 2023-24 fiscal year and beyond are contingent on provincial budget approvals. IPAs will be notified of any changes to their allocations and/or allocation methodology.

Transfer Payment Agreements

IPAs are required to enter into a new Transfer Payment Agreement (TPA) with MMAH in order to participate in the ISHP and to receive the funding allocated to them. The TPA outlines the roles, responsibilities, and accountability requirements of the program.

The new ISHP TPA will replace the existing Indigenous Supportive Housing Agreements. Please note, however, that existing ISHP capital affordability and any transfer payment agreements related to capital projects funded through milestone payments, committed prior to April 1, 2022 will continue to be administered as a legacy component of ISHP.

The TPA may need to be renewed and/or amended as program implementation progresses. This may include but may not be limited to amendments to terms and conditions, program updates including updated program guidelines, and additional program communications.

Investment Plan

IPAs are required to submit an annual ISHP Investment Plan for ministry approval outlining how the IPA plans to allocate funding among the different service categories within the Base ISHP and MHA streams (see Program Delivery section below), and how this is intended to contribute to the objectives of the program.

The ministry will review Investment Plans for alignment with the intended outcomes of the ISHP and to verify compliance with the ISHP Transfer Payment Agreement, ISHP Program Guidelines,

and any other applicable government directives or legislation.

The plan will be **due to the ministry no later than April 15th** of each year and must be approved by the IPA's Board. The plan must include at minimum the information requested in the ministry's Investment Plan templates, including:

- Projected use of funding and number of households supported for each service category in each quarter.
- Details on the types of services and activities that will be funded for each service category.
- An outline of strategic considerations informing the Investment Plan.
- Attestation that funds used for program administration comply with program guidelines (i.e., they are being used only to fund the administration of ISHP services and supports) and that all information submitted is accurate.

There are no requirements for a minimum or maximum amount of operating and/or capital expense within the Base ISHP stream. IPAs are best placed to determine local needs and will be provided the flexibility to determine these amounts in their Investment Plans. Please note that MHA funding must be used exclusively for MHA eligible services and supports and be tracked and reported on separately from Base ISHP funding.

IPAs must report back on progress on a quarterly basis through the Transfer Payment Ontario (TPON) system. Quarterly updates must provide a forecast reflective of any variances from the initial plan and a detailed variance explanation if applicable. When completing the Investment Plan and quarterly updates, IPAs must provide the most accurate forecast and reflection of expenditures for the year.

Operating Payment Process

Subject to the TPA, operating funding will be issued to IPAs based on projections in their approved Investment Plans and quarterly updates each year. Payments typically follow a quarterly schedule (in April, July, October, and January of each year), subject to quarterly report reconciliation of actual program spending and forecasts.

The first quarter (April) operating payment for fiscal 2022-23 will be initiated upon receipt of an executed Transfer Payment Agreement, based on 25% of the IPA's total Base ISHP and MHA stream allocations. Subsequent quarterly payments (Q2, Q3, Q4) will be issued based on the approved annual Investment Plans and quarterly updates.

Please note that payments related to capital projects follow a different process. Please see [Capital Funding Requirements](#) for further information.

Program Delivery

The ministry recognizes that IPAs know where community need is greatest and where investments can make the most impact on preventing, addressing and reducing homelessness, including chronic homelessness. IPAs have the flexibility to use allocated funding under the Base ISHP and MHA streams for any of the following service categories, provided the ministry has approved the IPA's Investment Plan and the expense is eligible.

Base ISHP Stream Service Categories
OPERATING <ul style="list-style-type: none">• Housing Assistance<ul style="list-style-type: none">• Refers to rent supplements and housing allowances (previously reported under two categories: Housing Allowances and Rent Supplements).• Support Services<ul style="list-style-type: none">• Refers to individualized, flexible, and ongoing support services (e.g., counselling, life skills training, activities of daily living, behaviour supports,) provided in combination with housing assistance to enable people to live as independently as possible in their community.• Administration<ul style="list-style-type: none">• Costs not directly related to delivering services and supports, such as back-office administration, professional services, and office expenses.
CAPITAL <ul style="list-style-type: none">• Supportive Housing<ul style="list-style-type: none">• New facilities• Retrofits.

MHA Stream Service Categories

OPERATING

•Housing Assistance

- Refers to short-term/emergency assistance, non-financial housing assistance, and long-term housing assistance such as rent supplements and housing allowances (previously reported under two categories: Housing Allowances and Rent Supplements).

•Community Outreach and Support Services

- Refers to includes ongoing supports and services (such as counselling, mental health and/or addictions support services, medical care, or assistance with daily living) for people not receiving long-term housing assistance, which would be considered supportive housing.
- Also includes services and supports, such as community outreach, food security programs and case management.

•Supportive Housing

- Refers to a combination of housing assistance with individualized, flexible, and ongoing support services (for example, mental health and/or addictions supports, assistance with daily living, and other services).

•Administration

- Costs not directly related to delivering services and supports, such as back-office administration, professional services, and office expenses.

A. Base ISHP Stream

Base ISHP Eligible Criteria – Recipients

Under this program, individuals in need must receive both support services and housing assistance – including those in social housing and other forms of government-assisted housing – at the time of entering the program. However, as individuals' needs change, the level of housing assistance and supports may be appropriately adjusted.

Funding will be provided to IPAs, and IPAs may provide funding to Service Providers (SPs), to assist Indigenous recipients who fall within one or more of the Provincial priority homelessness areas:

- Indigenous peoples experiencing homelessness or at risk of homelessness
- Chronic homelessness;
- Youth homelessness;
- Homelessness following transitions from provincially-funded institutions and service systems (e.g. hospitals and prisons).

The Ministry requires IPA initiatives under the Base ISHP stream to:

- Focus on assisting those across the Provincial homelessness priority areas who have had significant challenges - including complex service/health needs - accessing and maintaining housing;
- Support appropriate community-level collaboration and/or partnerships during the development of the ISHP's design, implementation and administration stages;
- Leverage other services/funding where possible/appropriate (e.g., other support services or municipal/private/charitable contributions);
- Encourage solutions that are relevant to the community and that are culturally sensitive to better meet Indigenous peoples' needs in a holistic, culturally appropriate manner; and
- Address needs that change over time (e.g., continuing to support at-risk youth once they leave transitional supportive housing, life transitions and aging).

Operating

Operating funding is to be used to provide housing assistance and/or support services to help eligible Indigenous recipients obtain and retain stable housing.

As ISHP strives to prevent chronic homelessness and support recipients to remain stably housed over time, the Province is open to housing assistance being provided for a variety of housing models that best meet recipients' needs, including transitional and/or dedicated supportive housing.

As recipients' needs may change over time, IPAs/SPs are encouraged to ensure that housing assistance and support services continue as long as they are needed by recipients.

Please note that if an IPA elects to use capital funding for new supportive housing units under the ISHP, then housing assistance and support services must be linked to the tenants in these units once they are completed. Operating funding can also be used to provide housing assistance and support services independently of the capital units.

The Ministry expects that IPAs and their SPs will provide a variety of housing assistance and support services to recipients, either directly or through partnerships with external community agencies and housing providers. IPAs are encouraged to work with SPs that have supportive housing experience and those who provide specialized services for individuals who fall within the provincial priority areas. This may include experience with the provincial priority homelessness areas, administering rent subsidies and support services to Indigenous people, and familiarity with the addiction and mental health system as it applies to Indigenous people.

All supportive housing programs funded under the ISHP must adhere to applicable laws including the Accessibility for Ontarians with Disabilities Act (AODA) and Ontario Human Rights Code.

IPAs/SPs are also encouraged to carry out a needs assessment with prospective recipients prior to providing assistance, to ensure that the services to be offered meet recipients' level and type of needs.

As operating funding will be provided on an ongoing basis into the future, IPAs/SPs should periodically re-assess recipients' needs. It is anticipated that recipients may continue to receive housing assistance funding, while their level of support services may change over time.

Stacking – Operating Funding

IPAs are permitted to use operating funding to expand the housing subsidies and support services being provided to existing affordable and social housing units (e.g. stacking), including those under the Rural and Urban Indigenous Housing Program (RUIHP) program.

These units include: rent-geared-to-income units, affordable units built under previous and current affordable housing programs, and units administered by non-profit housing providers.

Housing Assistance Service Category

This service category covers the use of operating funding to support people in obtaining and retaining housing through on-going rent supplements and housing allowances.

Rent supplements and housing allowances will be delivered by Service Providers (SPs) that have signed agreements with IPAs. IPAs/SPs may solicit support service agencies through an open, competitive process, and sign agreements with them.

Under the previous ISHP guidelines, this category was reported under two different service categories: Housing Allowances and Rent Supplements.

Support Services Service Category

This category refers to support services to help eligible Indigenous recipients obtain and retain stable housing (e.g., counselling, life skills training, activities of daily living, behaviour supports) to enable people to live as independently as possible in their community.

Eligible Expenses

- **Support services for people in supportive housing.** E.g.:
 - Mental health and/or addictions (MHA) supports:
 - Activities could include assessment, support, treatment, withdrawal and counselling services; case management and navigation; delivery of harm reduction activities; prevention, interventions and recovery related supports.
 - Other health-related supports not covered under MHA supports.
 - Activities could include community nursing; community paramedicine; assistance with medication; and wellness/health promotion activities and education.
 - Life skills development and daily living supports:
 - Activities could include life skills development such as budgeting; assistance with personal care; daily living supports such as housekeeping, laundry, cooking and shopping; and assistance to access education, training, employment or income support.
 - Culturally-relevant supports for Indigenous people:
 - Activities could include traditional supports and activities with the goal of increasing cultural connections and an individual's sense of belonging in a community; and supports to access traditional or culturally sensitive healing services (e.g., healing circles, sweat lodges ceremonies, access to traditional medicines).
 - Other supports not included above for people in supportive housing.
 - For example, costs to reduce the potential for infection and transmission in congregate supportive housing settings, such as the purchase of Personal Protective Equipment.
- **Minor retrofits or upgrades to existing supportive housing facilities** owned by the relevant non-profit supportive housing agency with a total funding request of up to \$50,000

Base ISHP Administration

IPAs will be permitted to use up to 15 percent of their annual Base ISHP stream allocated funds to cover administration costs. In cases where IPAs take up less than their notional allocation, their administration funding will be adjusted accordingly. Please refer to [Eligible Administration Expenditures](#) section later in this document for further guidance eligible administration expenditures.

Capital

To support IPAs in maintaining and expanding the supply of supportive housing where there is a local need, the Base ISHP stream provides the flexibility for IPAs to allocate funding towards capital expenses.

Please note that all ongoing operating costs associated with capital projects funded under the Base ISHP stream will be the responsibility of the respective IPA, and IPAs will be expected to articulate how they plan to manage these costs as part of Project Information Forms.

Please refer to [Capital Funding Requirements](#) later in this document for further guidance on approval, reporting and payment processes related to capital.

Eligible capital expenses include the following.

- **New Facilities:**
 - Acquisition and, where required, rehabilitation of existing buildings to create transitional housing or permanent supportive housing.
 - Conversion of existing buildings to create transitional or permanent supportive housing.
 - Expansion of an existing transitional housing or permanent supportive housing facility.
 - Conventional or modular construction of a new permanent supportive or transitional housing facility or expansion of a current transitional or permanent supportive housing construction project in-progress to increase capacity.
- **Retrofits:**
 - Renovation, retrofitting, repair and upgrading of existing transitional housing and permanent supportive housing facilities, for example, to meet building code standards and public health requirements. (Note that retrofit / renovation costs below \$50,000 should be considered as an operating expense.)

B. Mental Health and Addictions Stream

MHA Eligible Criteria – Recipients

Funding is to be used to provide housing assistance and/or support services to help eligible Indigenous recipients facing Mental Health and/or Addictions issues who are homeless or at risk of homelessness obtain and retain stable housing and access appropriate support services.

Capital projects cannot be funded using funds allocated under the MHA stream.

Operating

Funding under the MHA stream may be used to fund a range of mental health and/or addictions-related services and supports.

Housing Assistance Service Category

This service category covers the use of operating funding to support people in obtaining and retaining housing, including both financial and non-financial housing assistance. This kind of assistance is an important tool in preventing and addressing homelessness. Please note that long-term financial housing assistance for people receiving ongoing support services should generally be expensed as part of the supportive housing service category if support services are tied to the housing assistance.

Eligible Expenses
<ul style="list-style-type: none">● Short-term / emergency financial assistance:<ul style="list-style-type: none">○ This could include assistance with rent arrears (e.g. rent banks), utilities arrears, time limited rental assistance (e.g. rapid rehousing; emergency housing assistance), and emergency repairs to housing units.○ Financial assistance to set up a housing unit. This includes: first/last months' rent, moving costs, costs for start-up items such as furniture, household products and housewares.● Long-term housing assistance:<ul style="list-style-type: none">○ Housing allowances or rent supplements intended to be ongoing (e.g., lasting for year or more).● Non-financial assistance:<ul style="list-style-type: none">○ Activities could include housing help, eviction supports, legal supports to avert eviction, budgeting assistance, shelter diversion, hoarding assistance, landlord-tenant assistance.

Community Outreach and Support Services Service Category

This service category refers to operating supports and services provided outside to individuals not in supportive housing (i.e., the services are short-term/emergency supports or are ongoing but not linked to a person receiving long-term housing assistance). Services provided on an ongoing basis to a person receiving long-term housing assistance should be expensed under the supportive housing service category.

Eligible Expenses

- **Mental Health and Addiction (MHA) supports for individuals not in supportive housing.**
 - For example, mental health and/or addictions support services addictions treatment services, withdrawal and counselling services; case management and navigation; delivery of harm reduction activities; substance use assessments; crisis prevention, interventions, and recovery; hiring mental health and addictions workers; purchasing technology/equipment needed to provide people with virtual mental health and/or addictions supports.
- **Case Management and Outreach.**
 - For example, outreach to Indigenous people experiencing homelessness or at risk of homelessness which may include wellness checks; clothing and blankets; hygiene items; referrals to community agencies and other supports.
 - Costs associated with other important case management and individualized planning processes, such as pre-discharge planning from provincial institutions (e.g., hospitals and correctional facilities) and development of support service plans.
- **Food security.**
 - For example, food banks, grocery vouchers, food assistance.
- **Employment, education, training supports. E.g.:**
 - Services directed towards individuals and families to help them access income benefits.
 - Pre- and post-employment services that bridge individuals and families to the labour market and assist them to maintain employment and build self-sufficiency.
 - Services to support essential skills development such as financial planning and budgeting; and services to connect individuals and families to education and training programs.
- **Other health-related supports not included under MHA supports for individuals not in supportive housing.:**
 - For example, community nursing; community paramedicine, assistance with medication; and wellness/health promotion activities and education.

- **Life skills development and daily living supports in the community.:**
 - For example, life skills development such as budgeting; assistance with personal care; daily living supports such as housekeeping, laundry, cooking and shopping; and assistance to access education, training, employment or income support.
- **Culturally-relevant supports for Indigenous people.**
 - For example, traditional supports and activities with the goal of increasing cultural connections and an individual's sense of belonging in a community; and supports to access traditional or culturally sensitive healing services (healing circles, sweat lodges ceremonies, access to traditional medicines)

Supportive Housing Service Category

Supportive housing combines long-term housing assistance (e.g., rent supplements, housing allowances) with individualized, flexible, and ongoing support services (e.g., counselling, mental health and/or addictions support services, life skills training, activities of daily living, behaviour supports) to enable people to live as independently as possible in their community.

Supportive housing may be place-based (situated in one building or location) or in scattered sites where supports are delivered through home visits, in the community or via phone/virtually. As well, supportive housing may include congregate living arrangements or may be available through a self-contained unit. For further clarity, this could exist within the context of social housing and other forms of government-assisted housing (e.g., rent supplements, housing allowances).

Eligible Expenses

- **Housing assistance for people in supportive housing.**
 - Ongoing / long-term housing assistance including rent supplements and housing allowances provided as part of supportive housing.
- **Support services for people in supportive housing. E.g.:**
 - Mental health and/or addictions (MHA) supports:
 - Activities could include assessment, support, addictions treatment, withdrawal and counselling services; case management and navigation; ACT teams, culturally relevant mental health and/or addictions services, delivery of harm reduction activities; substance use assessments; crisis prevention, interventions and recovery related supports; hiring mental health and addictions workers; purchasing technology/equipment needed to provide people with virtual mental health and/or addictions supports..

- Other health-related supports not covered under MHA supports.
 - Activities could include community nursing; community paramedicine; assistance with medication; and wellness/health promotion activities and education.
- Life skills development and daily living supports:
 - Activities could include life skills development such as budgeting; assistance with personal care; daily living supports such as housekeeping, laundry, cooking and shopping; and assistance to access education, training, employment or income support.
- Culturally-relevant supports for Indigenous people:
 - Activities could include traditional supports and activities with the goal of increasing cultural connections and an individual's sense of belonging in a community; and supports to access traditional or culturally sensitive healing services (e.g., healing circles, sweat lodges ceremonies, access to traditional medicines).
- Other supports not included above for people in supportive housing.
 - For example, costs to reduce the potential for infection and transmission in congregate supportive housing settings, such as the purchase of Personal Protective Equipment.
- **Minor retrofits or upgrades to existing supportive housing facilities** with a total funding request of up to \$50,000

MHA Stream Administration

IPAs will be permitted to use up to 5 percent of their annual allocated MHA Stream funds to cover administration costs. In cases where IPAs take up less than their notional allocation, their administration funding will be adjusted accordingly. Please refer to [Eligible Administration Expenditures](#) section below for further guidance eligible administration expenditures.

Eligible Administration Expenditures

IPAs may use up to 15 percent of their annual allocation of Base ISHP Stream funding, and 5 percent of their annual allocation of MHA Stream funding towards eligible administrative costs.

Eligible administrative expenditures are those supporting but not directly related to the delivery of Base ISHP and MHA programming, including but not limited to:

- **Staff that do not directly deliver services to clients.**

- Salaries, wages and benefits for administrative staff and back-office functions, such as those providing accounting, reporting, IT support, communications, security, and human resources and program management functions.
- Administrative costs associated with planning, managing and evaluating homelessness supports and services, enumeration (in years the ministry requires IPAs to complete enumeration).
- Professional development and staff training.
- **General office expenses:**
 - Utilities, information technology, phone/internet, postage/courier, office supplies, and cleaning.
- **Professional services:**
 - Contracting for services such as bookkeeping, consulting, communications, translation, legal fees, and audit costs.

Ineligible expenses include administration costs not associated with the program delivery and capital costs (outside of eligible expenses related to supportive housing.)

IPAs must ensure that program administration funds are used efficiently and only in support of the delivery services and supports. IPAs are required to include the amount of funding used for program administration in their Investment Plans and report back on the use of this funding in their quarterly updates and year-end reports. IPAs must ensure any underspending in administration is recovered by the ministry or reallocated towards eligible operating expenses in the same fiscal year (see [Other Program Requirements](#) below.)

Outcomes

Reporting

Generally, all IPA reporting must be done through the government's Transfer Payment Ontario (TPON) system, unless otherwise indicated by the ministry. This includes but is not limited to the submission of investment plans, quarterly reporting, project information forms, and project documentation.

There are five reports due for each program year:

Report	Due Date	Details
Investment Plan	April 15 th of each year for the next program year	Projected quarterly operating expenditures and capital commitments. Proposed Plan including proposed use of funding.
Q1 Report Back	July 15 th of each year	Actual quarterly expenditures and commitments for Q1 and projected quarterly expenditures and commitments for Q2-Q4.
Q2 Report Back	October 15 th of each year	Actual quarterly expenditures and commitments for Q1 and Q2 and projected quarterly expenditures and commitments for Q3 and Q4.
Q3 Report Back	January 15 th of each year	Actual quarterly expenditures and commitments for Q1-Q3 and projected quarterly commitments and expenditures for Q4. Attestation that IPAs intends to fully take-up all funding by fiscal year end.
Year End Report	May 31 st of each year for the previous program year	Actual quarterly operating expenditures and capital commitment for previous program year. Municipal homelessness program spending. Performance indicator reporting for previous program year.

Performance Indicators

A set of performance indicators have been developed to monitor and track progress on the achievement of ISHP and MHA outcomes.

For each performance indicator, data elements will be reported annually in the year-end report by IPAs.

Base ISHP Stream

Performance indicators for measuring the achievement of the ISHP's outcomes include:

- Households Assisted
- Households Receiving Housing Allowance with Program Funding
- Households Receiving Rent Supplement with Program Funding
- Households Receiving Support Services with Program Funding
- Households Receiving Both Housing Assistance and Support Services with Program Funding
- Households Receiving Support Services from Other Funding Sources
- Households Receiving Housing Assistance from Other Funding Sources
- Household Successfully Housed for One Year or more

MHA Stream

Performance indicators for measuring the achievement of MHA's outcomes include:

- Number of households assisted that include a member with mental health and/or addictions issues;
- Number of households at risk of homelessness that include a member with mental health and addictions issues receiving services and supports directly related to housing stability (e.g., eviction prevention services, assistance with rental and energy arrears);
- Number of households experiencing homelessness that include a member with mental health and addictions issues receiving services and supports that contribute directly to a positive change in housing status (e.g., assistance to obtain housing);
- Number of households receiving services and supports related to mental health and/or addictions (e.g., community and hospital based mental health services, supports related to substance use and recovery); and
- Number of new staff members hired to support households with mental health and/or addictions issues.

Capital Funding Requirements (Base ISHP stream only)

New Facilities

Project Submission Process

IPAs will solicit proposals and select projects through appropriate procurement processes to recommend to the Ministry for funding approval within their allocations.

Recommended projects shall:

- Be approved by the Board of the IPA;
- Be able to sign a Contribution Agreement and registration of mortgage security or an alternate form of security (conversion, conventional, or modular housing projects) **no later than November 30** of each program year;
- For acquisition projects, the executed Agreement of Purchase and Sale must have a **closing date no later than March 1** of each program year;
- Commence construction, acquisition, rehabilitation and/or conversion within 120 days of the date of commitment and be completed within two years of the date of commitment;
- Meet the current Ontario Building Code, public health, and other applicable requirements;
- Reflect the best value for money, for example by using competitive procurement processes where possible, and ensuring that costs per unit are reasonable;
- Include information on how the on-going operating financial requirements for the project will be met; and
- Address community housing/homelessness needs.

In addition, for New Facilities projects:

- have rents that on average are at or below 80 per cent of the Canada Mortgage and Housing Corporation (CMHC) Average Market Rent (AMR) for the community or as approved by MMAH for a minimum of 20 years; and
- Provide a clear indication about the types of supports that will be made available directly, or via partnership (via agreement, Memorandum of Understanding, or other arrangement). Support services must be provided for a minimum period of 10 years.

IPAs are encouraged to give priority consideration to projects that:

- Have contributions by others, including the IPA, host municipality, and proponent, to be used in partnership with ISHP funding;

- Are sponsored by providers that agree to project affordability periods beyond the minimum 20-year term to ensure the longer-term supply of affordable housing stock;
- Have energy efficiency features that reduce and/or eliminate greenhouse gas emissions; and
- Are fully accessible and/or have units that are accessible to persons with disabilities.

All projects must be submitted through the TPON system along with additional project background information such as information contained in Board reports.

Project Approval Process

Project approval will be based on alignment with the approved Investment Plan, consideration of the information submitted to the Ministry and the ability to meet the program's eligibility criteria and timelines.

Once approved, a project will receive a Conditional Letter of Commitment from MMAH, which confirms ministry approval and outlines the steps to take prior to signing a Contribution Agreement.

The Contribution Agreement shall describe legal obligations and reporting requirements for the project. All IPAs are required to enter into Contribution Agreements directly with proponents and shall require the forgivable loan to be secured through a mortgage or alternate form of security.

The deadline to commit funding – i.e., execute Contribution Agreements and submit executed Agreements of Purchase and Sale (for acquisition projects), registration of mortgage security or an alternate form of security (for conventional, conversion, or modular housing projects) – will be November 30 of each program year, to allow time for realignment between operating and capital funding, or reallocation of funds if necessary.

The Ministry reserves the right to return a project application for revision and resubmission if it is not consistent with these Program Guidelines and/or required information is missing.

Funding

New Facilities capital funding must be provided as a secured forgivable capital loan.

IPAs are required to perform their due diligence to ensure that a project is financially viable from a construction cost and on-going operating perspective, and the program expenditures represent a prudent and best value use of public dollars.

Payment Process

The Ministry will advance funding directly to IPAs, who will be responsible for making project payments to proponents. IPAs will advance funds to proponents based on the completion of milestones and compliance with the program requirements.

Funding for acquisition, rehabilitation and/or modular housing will be advanced to IPAs based on the following instalments:

1. Up to 90 per cent following signing of the Contribution Agreement; and
 - a. submission of Agreement of Purchase and Sale for acquisition projects (funding will be advanced within 15 business days of the closing date); or,
 - b. registration of mortgage security or an alternate form of security that is acceptable to the ministry.
2. Remaining funding upon confirmation of completion and submission of required documentation including registered security.

Up to 100 per cent of the funding may be provided, if required, to finance the purchase. If the capital funding provided under the ISHP is insufficient to cover the cost of the acquisition of the building and/or any rehabilitation work required, the IPA must demonstrate the additional funding sources being accessed to complete the project.

Funding for conventional and other projects will be based on the following instalments:

1. 50 per cent at signing of the Contribution Agreement and submission of mortgage security registration or alternate form of security that is acceptable to the Ministry;
2. 40 per cent at confirmation of 50 per cent construction completion; and
3. Remaining upon confirmation of completion and submission of required documentation.

All final payments are required to be made within two years of signing the Contribution Agreement. IPAs are required to ensure that all projects are completed and request the final payment prior to this deadline.

Project Reporting

IPAs must complete a Project Information Form (PIF) through the TPON System supplemented by regular milestone updates in TPON, along with detailed construction / acquisition / rehabilitation progress reports to ministry contacts describing project progress and potential issues of concern that might delay or jeopardize the project.

Any delays to the construction start or completion timelines for New Facilities projects must be

communicated to the ministry as early as possible. Extensions to the construction start and completion timelines are subject to ministry approval.

IPAs must also ensure that the following documentation is submitted in the TPON System:

- For acquisition projects, registration of mortgage security or an alternate form of security once acquisition is complete;
- Confirmation of Construction Start (for conventional and other projects);
- Confirmation of 50 per cent construction completion (for conventional and conversion projects);
- Confirmation of Project Completion/Initial Occupancy Report (for all projects);
- An Audited Financial Statement for the project within six months following project completion/initial occupancy date, or such additional time acceptable to MMAH; and
- Annual Occupancy Reports for the affordability period.

PIFs will require IPAs to report on the following information for performance indicators:

- Number of new facilities/housing (and number of units) created (i.e. acquisition, conversions, modular units) by type of housing; and
- The population targeted for the housing project.

IPAs must confirm that capital projects funded under the ISHP meet the affordability requirements and/or continue to be used for their intended purpose.

Affordability Criteria and Rents

Approved New Facilities projects must remain affordable for a minimum period of 20 years. Affordability is defined as having average rents for the supportive housing units in the project that are at or below 80 per cent of CMHC Average Market Rent (AMR) for the service area and unit type at the time of occupancy. If the IPA wishes to provide greater affordability to tenants, then rent supplements may also be utilized.

Average rent is calculated using actual rents paid by tenants, and any rent supplements provided by the IPA. If rent supplements are used in ISHP units to provide deeper affordability for tenants, the IPA shall ensure that total rent received by a proponent, including rent from the tenant and any rental supplements from the IPA or other party shall not exceed 100 per cent of CMHC AMR.

In addition, the total of the rent paid by the tenant and any federal and/or provincially funded rent supplements paid to the proponent must be used to calculate the weighted average rent in a project.

While individual unit rents may be set above or below the 80 per cent threshold, in no instance shall an ISHP-funded unit have a rent that is greater than the CMHC AMR for the relevant bedroom type for the area.

If CMHC AMRs are not available for certain communities, or in instances where in the opinion of IPAs the CMHC AMRs do not reflect the actual AMRs in the local market area, IPAs may request an alternate AMR by submitting a business case including a local market rent survey for the Ministry's consideration.

Projects may include both ISHP units and market units; however, only units with rents that meet affordability requirements will receive ISHP funding.

Rent increases under this program must be in accordance with the *Residential Tenancies Act, 2006* (RTA) rent increase guideline. The Transfer Payment Agreement provides that rent increases follow the RTA rent increase guidelines (irrespective of whether they apply) and that average rent for a Supportive Housing New Facilities Project must still remain at or below 80 per cent of CMHC AMR.

Retrofits

Project Submission and Approval Process

The IPA is responsible for selecting all eligible projects, monitoring progress, completion of projects, quality of work, and for advancing funds.

Once an eligible project has been approved by the IPA, a completed Project Information Form along with an executed loan agreement and promissory note securing the funding must be entered and submitted in the TPN System for ministry review and approval to commit the funding.

MMAH reserves the right to return a project application for revision and resubmission if it is not consistent with the Program Guidelines or if information is missing or incomplete.

Funding

Retrofit funding must be provided as a secured forgivable capital loan based on the cost of the work items approved by the IPA. Loans are to be secured by a mortgage registered on title upon project completion.

Payment Process

Funding will be advanced to IPAs and based on the following instalments:

1. 50 per cent when a completed Project Information Form along with an executed loan agreement between the IPA and proponent, and signed promissory note are submitted and approved by MMAH in TPON;
2. 40 per cent at confirmation of 50 per cent project completion; and
3. 10 per cent at confirmation of final project completion and mortgage registered on title.

MMAH may consider a higher upfront payment based on local need with supporting documentation.

IPAs must ensure project status is updated and documents are posted in TPON on an on-going basis. Retrofit activities must start within 120 days of the date of the funding agreement.

IPAs are responsible for project selection and approval, monitoring progress and completion of projects, quality of work, and for the advancement of funds. Retrofit activities must be completed in two years of the date of loan agreement.

Any delays to the repair start or completion timelines for Retrofit projects must be communicated to the ministry as early as possible. Extensions to the repair start and completion timelines are subject to ministry approval.

Project Reporting

IPAs must regularly update progress on project activities and payments to proponents through the TPON system. Confirmation of construction start and completion for each project must be submitted in TPON.

PIFs will require IPAs to report on the following information for performance indicators:

- Number of units retrofitted/repared.
- Vulnerable population group(s) targeted for the housing project.

IPAs must confirm that Retrofit projects funded meet the affordability requirements (i.e., with rents at or below AMR for the bedroom type for the local area) and/or continue to be used for their intended purpose (i.e., as supportive housing), for a minimum period of 10 years following completion.

Other Program Requirements

Reallocation

For the ISHP stream, IPAs must make best efforts to ensure that planned operating and capital expenditures are accurate. If changes in operating and capital funding are required, IPAs must submit a business case to the ministry for approval. Please note that **requests to realign operating and capital funding made after November 30th of the respective fiscal year may not be approved.**

The Ministry, at its sole discretion, reserves the right to re-allocate funds to another IPA in instances where an IPA may not be able to fully utilize their annual ISHP and MHA allocation within a fiscal year.

After the end of Quarter 3 of each fiscal year (December 31st), the Ministry will review IPA progress in their spending against their annual allocations to determine if there will likely be unspent program funds in a IPA area. If it is determined that under-spending is likely to occur, funds may be reallocated to another IPA area before the end of the fiscal year.

Year-End Reconciliation

IPAs are required to fully spend their annual operating funding and commit capital funding in the fiscal year that the funds are allocated.

With the ministry's approval, where an approved eligible capital project is cancelled or reduced after the end of the fiscal year (March 31st) in the year approved, the affected funding will be considered to remain approved provided that the IPA recommits the affected ministry funding to previously approved eligible project(s) eligible under the same capital service category and within the same fiscal year in which the cancellation or reduction occurred within the original approved allocation.

The recommitment period is limited to one subsequent fiscal year (i.e., the subsequent March 31st) following the year of initial commitment. Any subsequent savings identified through cancelled or reduced projects must be returned (recovered) to the Ministry upon demand and generally cannot be carried over into the next fiscal year.

IPAs are required to submit a year-end financial report to the Ministry by May 31 of each year outlining actual expenditures for the prior fiscal year (April 1 to March 31). Identified savings will remain unspent (recoveries) and may be required to be returned (recovered) to the Ministry upon demand and cannot be carried over into the next fiscal year.

All recoveries will be completed through the Transfer Payment Ontario (TPON) system. IPAs will

be notified by the Ministry prior to any recoveries made with information regarding the recovery and next steps.

Return of Funding

Operating funds allocated in a fiscal year are required to be fully spent by March 31. Operating expenditures are considered spent if funds have been paid by March 31 and, if not paid, owed to [others] as of March 31 by the IPA.

If funds are not fully spent by IPAs or are not used for an eligible expense under these Program Guidelines, funds shall be returned to MMAH on demand.

All remedies under these Program Guidelines shall survive any termination or expiry of the Program.

Audit Requirements and Reviews

IPAs shall support the ministry in exercising its rights to audit and inspect IPAs to ensure program funding is used in compliance with these Program Guidelines as is set out in the ISHP Transfer Payment Agreements.

Risk Assessment

The ministry is committed to ensuring risk management planning is incorporated into policies, operations and program delivery. IPAs are encouraged to assess their risk and capacity to deliver the ISHP on an annual basis. The ministry will make available a Risk and Capacity Assessment template to assist IPAs in this work.

Indemnification and Repayment

There are obligations for all ISHP parties with regard to the indemnification and recovery of government funding. Specific obligations and provisions are included in the Transfer Payment Agreement.

Compliance with Statutes: Attestation and Tax Compliance Verification

IPAs are required to have good standing with tax laws and attest to being in good standing with labour and environment laws. Valid compliance information is required to be submitted within the organization's profile in TPON by April 1, 2022:

- Compliance with tax laws – tax compliance verification completed on the [Tax Compliance Verification Portal](#).

- Compliance with labour and environment laws – an attestation. An attestation form is available to be completed within the organization's profile in TPON.

French Language Services Act Compliance

IPAs who are located in or servicing an area that is designated under the French Language Services Act (FLSA) are required to:

- Ensure services are provided in French; and,
- Make it known to the public (through signs, notices, other information on services, and initiation of communications in French) that services provided to and communications with the public in connection with HFG are available in French.

Services being provided to the public directly by IPAs, or through the office of a sub-contractor (such as a local non-profit agency), are required to comply with the FLSA.

To demonstrate compliance, IPAs are required to complete and submit a French Language Services Report to the ministry annually confirming that the requisite French language services are being provided.

MMAH Staff Contact

Questions regarding the ISHP may be directed to your Housing Programs Branch staff contact, as noted below:

Contact	Contact Information
Kathy McLachlan, Manager, Indigenous and Northern Regional Services Delivery Unit, Ministry of Municipal Affairs and Housing	Kathy.McLachlan@ontario.ca