

# STRENGTHENING THE FOUNDATION FOR HOUSING IN ONTARIO

**Response to the Provincial Consultation on the  
Renewal of the Long-Term Affordable Housing  
Strategy**

JULY 6, 2015

## Introduction

The renewal of the provincial Long-Term Affordable Housing Strategy (the “strategy”) provides an opportunity to create a more robust effort to provide safe, secure, suitable, and adequate affordable housing options for Ontarians ranging from social housing to rental to home ownership. This is vital as affordable housing contributes to the economic, social, and health well-being of Ontario’s communities and the Province as a whole. A robust strategy will contribute to the Province’s efforts to reduce poverty and its bold commitment to end chronic homelessness in Ontario.

It is laudable that the government instituted a Long-Term Affordable Housing Strategy in the first place to address the housing needs of Ontarians. The first strategy achieved a number of important milestones such as the passing of the *Housing Services Act, 2011* and the creation of the Community Homelessness Prevention Initiative (CHPI) as a result of provincial program consolidation. However, there is much more to be done. The first strategy focused on transforming the way that housing and homelessness services are delivered in order to achieve better outcomes for people. This second strategy should rightly focus on long-term housing sustainability as well as opportunities to expand the housing system. It is time to strengthen the foundation for housing in Ontario for individual and community health and prosperity.

In this submission, AMO is offering a range of recommendations for the government to consider in their renewal of the strategy. It is acknowledged that some of these suggested actions may be longer term in nature and involve the expenditure of provincial resources. Other recommendations call for the provincial government to advocate for increased federal action on the housing front. It is essential that we not miss the opportunity to contribute to the future of Ontario’s housing system. Done right, there will be a social and economic return on investment across numerous areas of both municipal and provincial jurisdiction.

## Context

To date, the Ontario government has worked closely with municipal governments and District Social Service Administration Boards (DSSABs) to address homelessness and affordable housing issues in Ontario. This is appropriate as municipal governments and DSSABs are more than mere housing stakeholders; they are the principle managers, planners, and funders of the housing system in Ontario.

Municipal governments and DSSABs are the heavy lifters in housing. The Province has acknowledged in the Ontario Housing Statement that municipal governments are the largest contributors to funding for housing and homelessness services. As the primary funders of the housing system, municipal governments and DSSABs should be the principle policy makers.

There is much at stake to address the long-term needs of Ontarians for affordable housing. Ontario's communities need a stable and secure housing market that creates jobs, attracts new workers, meets the needs of seniors and young families, and keeps our most vulnerable citizens off the streets.

Ontario is at a critical juncture. The cost of housing is taking a toll on families and communities across Ontario, pushing both personal debt and housing wait lists to record levels. In Ontario, more than 168,000 people are on wait lists for social housing – and this number has significantly increased in recent years (Ontario Non-Profit Housing Association, 2015, page 4). Rising housing prices are pushing more people into a crowded rental market. The problem is particularly acute for us in Ontario, where a significant number of renters are spending about one-third of their income on housing. Housing ownership is also out of reach for many potential first time home buyers. Social housing, as well, is in dire need of capital repairs and more affordable housing units are needed.

Given all this, addressing housing over the long term is critical. The stakes are especially high for Ontario's municipalities as housing is one of our responsibilities unlike other provinces and territories. AMO continues to believe that it is not sustainable to fund housing solutions primarily on the property tax base. It is neither good public nor fiscal policy. Local governments cannot fix the housing system without commitments from both the federal and provincial governments to develop long-term, cost-effective solutions across the full spectrum of housing programs and policy. There are however, a number of proposed improvements for the housing system, both financial and non-financial, which is the subject of this submission.

## Comments and Recommendations

AMO's comments and recommendations that follow in this document are structured along the four themes identified in the provincial consultation discussion guide. A summary of all the recommendations is found in Appendix A of this report on page 15 and 16.

### **A Sustainable Supply of Housing Stock**

Achieving a sustainable supply of affordable housing will require the combined effort of all three orders of government working in concert to support public housing and the non-profit, cooperative, and private sectors. There are a number of actions that both the provincial and federal governments can take in order to ensure sustainable housing over the long-term, but also to facilitate the expansion of new housing stock. It is essential for the Province to take the lead. The Province has a vital system stewardship role to play in supporting municipal governments and DSSABs to maintain an adequate housing system that meets the needs of Ontarians. It needs to take a stronger role to support and act as the facilitator of the housing system. It is in the Province's interest in doing so, as the housing system supports a range of provincial policy priorities for social services, health, and economic development.

Sustainability is top of mind for AMO. The municipal responsibility for housing has become increasingly challenging as demand for social housing rises to record levels, housing stock ages, and maintenance costs increase. As well, Ontario's aging population has more complex health needs and increasing demand for special residential care. The current system of funding and delivering housing programs is not sustainable. The municipal property tax base cannot cover costs for necessary capital repairs, operations, administration, and the development of much-needed new housing.

The value and progressive approach of requiring municipal governments and District Social Service Administration Boards (DSSABs) to develop 10-year Housing and Homelessness Plans is acknowledged. This valuable exercise has not only improved service delivery but it has served to help identify community needs, gaps in service, and investment needs. The Province is encouraged to take stock of these plans to determine the course forward toward greater sustainability. Municipal service system managers look forward to continue working in partnership with the Ministry to build capacity collectively to address homelessness and affordable housing issues, but also to continue to engage in conversations about the necessary resources required over the long-term to get the job done right. For its part, the Province needs to assist municipal governments and DSSABs with the implementation of these plans and ensure that they have the resources and capacity that is required.

The success of municipal housing initiatives is contingent upon both the provincial and federal levels of government providing an adequate level of support for individuals for whom they are responsible. This includes responding to the entire population and full spectrum of needs with specialized supports for: women and children fleeing abuse; people with cognitive and physical disabilities; and Aboriginal, Inuit, and Metis peoples. Inadequate provincial and federal funding for these population groups results in challenges for municipal governments and compromises the successful implementation of municipal plans.

Apart from social housing, there is a lack of purpose built rental housing for Ontarians. It is an appropriate role for government at all levels to provide incentives and enabling regulatory frameworks that advance the development of affordable rental housing by both the private, non-profit, and cooperative sectors. It should be noted, however, that there are many different housing markets in Ontario which will require different solutions in different places. Such is the complexity of the housing landscape. A 'one size fits all' solution will not necessarily work in all parts of the province.

A series of recommendations follows in this section that outlines the needed actions to support the sustainability of housing, but also to expand the present system.

**1. The Province should help municipal governments and DSSABs to fund the cost of addressing the capital repair backlog in social housing.**

Of particular and immediate concern is the accumulating capital repair backlog in the social housing portfolio that cannot be addressed by municipal governments alone. Attention to this issue is needed to deal with the deferred maintenance and operating deficit to ensure that social housing remains viable. It is critical that social housing be maintained in good condition both for those who live in it and to achieve public value from the service. A provincial plan and funding is needed to help ensure the long-term sustainability of sufficient and well maintained social housing units.

Preserving social housing is important because much of this housing dates back 40- 60 years ago. Even newer built housing is in ill-repair, due to the under-funding of capital replacement reserves in most cases. There are estimates that the capital repair backlog in the social housing portfolio stands at \$1.5 billion according to the Housing Services Corporation (HSC, 2015, page 9). In some cases, and despite long waiting lists, social housing units are unoccupied due to the lack of funding for major capital repairs.

When the costs of social housing were downloaded by the Province to municipal government, this was done so without the transfer of adequate financial reserves to address capital needs. It is not manageable for municipal governments to address this situation on their own off the property tax base. More provincial help is required.

Long-term funding programs specific to social housing are needed. It should be noted that although Ontario's Bill 6, *Infrastructure for Jobs and Prosperity Act*, was amended to include social housing costs as eligible for infrastructure program funds, this should not be viewed as the solution to addressing the capital repair backlog. While social housing is now eligible for infrastructure funding, it will be competing against a whole range of provincial and municipal priorities ranging from roads to bridges to sewers.

**2. The Province should allow housing providers to leverage finances against their assets without ministerial approval.**

To compound matters, social housing providers are currently limited in their ability to borrow against their assets to raise capital for repairs or the repurposing of social housing units. It is proposed that the Province lift this restriction on housing providers to further enable the maintenance of social housing units in a good state of repair and to help fund regeneration projects. This change will not cost the Province anything.

**3. The Province should work toward developing new financing tools to enable social housing repairs, regeneration, and new affordable housing development.**

Together the absence of long-term capital repair funding commitments and financing tools are seriously hindering the ability of municipal governments and DSSABs to ensure that the assets are appropriately maintained and enhanced. New and innovative financing tools are required for social housing repairs, regeneration, and affordable housing development. For example, the Province could provide loan guarantees that would help secure lower interest rates from private capital lenders.

Of great benefit to northern Ontario would be if the government treated DSSABs the same as southern Consolidated Service System Managers and allow them to access Infrastructure Ontario (IO) loans. The government could amend the *Ontario Infrastructure and Lands Corporation Act* in order to enable DSSABs to be eligible applicants under the Infrastructure Ontario loan program and provide them with the ability to finance in order to undertake capital works projects.

Working with the housing, development, and financing sectors can help identify opportunities to provide for new financing tools. This may pave the way to implementing new ways to do business, including finding ways to effectively and most efficiently access capital markets. One concept that has surfaced is to establish a Housing Development Bank similar to what has been accomplished in the United Kingdom. It is worth the Province exploring the feasibility of such a fund and consulting with municipal governments and DSSABs on the appropriateness and suitability of such a financing vehicle, or other similar ones.

**4. The Province should end municipal subsidy of social assistance recipients in social housing by increasing rent and utility scales to the same shelter maximums as OW/ODSP clients pay for private rental housing.**

There are also measures that can be taken to put social housing on a more sustainable footing through adjustments to other provincial programs. For example, currently social assistance clients in receipt of Ontario Works (OW) welfare or the Ontario Disability Support Program (ODSP) income support programs and residing in social housing (RGI units) pay less than others do to private landlords for rent and utilities. The antiquated set of rent and utility scales payable has not been updated for several years and results in a hidden subsidy of provincial income support programs.

**5. The Province should invest in creating eco-friendly, energy efficient housing.**

There is also an opportunity to link financial and environmental sustainability. As part of its broader climate change mitigation efforts, the Province should consider ways to continue to create more energy efficient housing projects. An outcome of this effort will be energy efficiencies that will save money in the housing portfolio over the long-term. These should be appealing investment opportunities as they can generate returns while achieving positive social and environmental outcomes.

**6. The Province should make Crown Lands available for affordable and/or social housing development.**

Apart from construction costs, land is typically the most expensive component of any affordable or social housing project. When renewing the strategy, it will be important to consider the contributions that can be made by each order of government to affordable and/or social housing development. All governments should have access to surplus and underutilized properties. Municipal governments are able to provide these lands for affordable housing development. It is proposed that the provincial government explore opportunities to also make Crown Lands available for the same purpose. One example is making available surplus school properties in communities. Land contributions could include ownership transfer, low-cost leasing, or co-development of housing with other provincial services on site.

Further, the Province should consider that it could provide these lands at no cost, a nominal charge or at least at below-market value given the nature of the intended use. This will require a change in conceptual thinking on the part of the government, as well as changes to applicable legislation and regulations including the *Public Lands Act* but also *the Education Act* regulations governing school boards which require disposal of assets at market rates.

**7. The Province should expedite hearings for affordable housing projects through the Ontario Municipal Board (OMB).**

There are also opportunities to support both the non-profit and private sectors to build new affordable housing. Currently, affordable housing projects are often subject to delays due to appeals to the Ontario Municipal Board (OMB). It is proposed that affordable housing projects be given priority at the OMB for fast-tracked hearings.

**8. The Province should expand the optional planning tools available to municipal governments to include inclusionary zoning as a means to incent and/or require affordable housing development.**

Municipal governments have, at their disposal, a number of tools through the *Municipal Act*, *Planning Act*, and the *Development Charges Act* to help provide incentives and facilitate affordable housing development. An additional optional tool that could be provided to facilitate affordable housing development is inclusionary zoning. This type of zoning would provide municipal governments with additional authority to require private developers to build a certain percentage of new affordable housing units in new residential developments in a manner that could withstand an appeal at the OMB. It is proposed that the *Planning Act* be amended to provide this tool as an additional option to municipal governments to use at their discretion to employ in their communities if they so choose.

Municipal governments should be consulted on the exact form that this legislative authority should take. Any legislation should be as flexible as possible to allow local discretion on how it is

implemented. Further talks are also needed with the Province on the type of programmatic supports needed to ensure that inclusionary zoning is successful.

It should be noted that inclusionary zoning should not be considered a panacea solution for all new affordable housing development. It may well be more suited for some areas more than others, i.e. high growth areas. Further, inclusionary zoning is typically more effective at helping moderate income households rather than very low income ones. In planning for the housing system and enacting solutions, the Province should consider that there are different housing markets in Ontario which may require different solutions in different areas. In short, a 'one size fits all' approach will not work.

**9. The Province should ensure that affordable and social housing properties are assessed by Municipal Property Assessment Corporation (MPAC) based on their actual rents rather than market rent.**

Employing a whole of government approach, the Ministry of Municipal Affairs and Housing can work with sister ministries such as the Ministry of Finance to ensure optimal conditions for housing exist. A problem is occurring in that the Municipal Property Assessment Corporation (MPAC) assessments of a number of local affordable and social housing complexes are resulting in higher than anticipated valuations. The higher assessments are the result of MPAC considering the full market rent income potential of the housing property without consideration for binding service contracts (social housing) and encumbrance agreements (affordable housing) which effectively limit the rental income of the property to below market rates.

According to MPAC's interpretation, they have no choice under section 19.1 of the *Assessment Act* and no legislative ability to distinguish between subsidized housing and private housing in the determination of values. It is proposed that the Province (i.e. the Ministry of Finance) change the applicable legislation and regulations to ensure accurate tax assessment of social and affordable housing.

**10. The federal and provincial governments should provide permanent, sustainable, and flexible funding for housing programs.**

To effectively plan over the long-term, municipal governments and DSSABs require predictable sources of revenues for housing program hence the need for permanent and sustainable funding programs. The governments of Canada and Ontario should consider expansion of current funding as well as consider new funding programs.

Further, housing programs work best when municipal governments and DSSABs are afforded flexibility and discretion to meet local circumstances. It is timely to review the Canada-Ontario Investment in Affordable Housing (IAH) program design to ensure that it maximizes the needed flexibility and local discretion. For example, the flexibility to carry over funding over multiple years

rather than the current restrictive rules that foster a 'use it or lose it' approach in any given fiscal year, would serve to support larger projects than is currently possible.

**11. The Province should engage the federal government to advocate for the development of a National Housing Strategy that focuses on: sustaining social housing, increasing the supply of rental stock, promoting affordable home ownership, and preventing homelessness.**

Addressing the housing situation in Ontario and the nation cannot be handled by the provincial and municipal governments alone. It will require a strong federal partner that can institute significant changes and funding levers to maintain social housing, facilitate the development of rental housing, promote home ownership, preventing and ending chronic homelessness in Canada. A national strategy is required. Canada is the only G8 country not to have a national strategy in place.

**12. The Province should advocate that the federal government reinvest savings from expiring operating agreements back into social housing.**

Currently, the federal government's contribution to social housing is declining by \$500 million over the next decade and will be eliminated altogether by 2033 as federal operating agreements come to an end. It is proposed that the federal government reinvest the savings and maintain a role to fund social housing, both capital and operating expenses. The Province should immediately begin negotiations with the federal government and continue to raise this issue at Federal-Provincial-Territorial meetings.

**13. The Province should advocate that the federal government stimulate the rental market and promote home ownership with various means such as rental housing tax credits and home ownership programs.**

The federal government could also play a role to stimulate the private rental housing market, including affordable units, through the introduction of rental tax credits and home ownership programs. For example, the Federation of Canadian Municipalities (FCM) is calling for federal tax incentives aimed at removing barriers to new affordable and market-rental housing, including a Rental Incentive Tax Credit. It is intended that this credit would help reduce the loss of existing lower-rent properties through demolition and conversion to condominiums by providing an incentive that would credit property owners for selling affordable assets to eligible non-profit providers, including a municipality (FCM 2015, 17).

## A Fair System of Housing Assistance

Low-income Ontarians benefit from a range of housing assistance options from Rent-Geared-to-Income (RGI) subsidies to rent supplements and housing allowances. Other essential forms of non-financial assistance are also provided. It is an important question to ask how all Ontarians in need can gain fair access to financial and non-financial supports. The problem to address here is that there are many people in need of housing, and some get assistance while many on waiting lists do not receive anything at all, often for years.

Following in this section are a number of recommendations designed to achieve greater fairness in the housing system.

**14. The Province should expand the use of housing subsidies other than Rent-Geared-to-Income (RGI).**

**15. The Province should broaden provincially mandated service level standards to include forms of housing subsidies other than RGI.**

As it currently stands, the housing system is designed for Rent-Geared-to-Income (RGI) as the primary means of housing assistance. There is, however, a grossly insufficient supply of RGI units to meet demand in Ontario. Furthermore, administering the RGI system is onerous and costly to administer. It is also challenging for clients when RGI units are attached to specific buildings which may affect their mobility and preferred living accommodation. In the present system, municipal Service System Managers (municipal governments & DSSABs) are only credited for RGI subsidies towards their legislatively mandated service level standards. Under the *Housing Services Act, 2011*, service level standards refer to the minimum number of RGI units in Service Manager areas. Municipal governments and DSSABs are required to maintain their service level standards as prescribed by regulation. The loss of any RGI units of a project must be made up elsewhere in the Service Manager area.

It is proposed that the Province broaden the definitions under the service level standards to include other forms of rent subsidy such as housing allowances. Municipal governments and DSSABs should have the flexibility to use other forms of housing assistance (e.g. housing allowances) to better meet the needs of more low-income Ontarians and to meet their legislative requirements. This would allow municipal governments and DSSABs to help more Ontarians in need of housing assistance at a lower cost.

**16. The Province should allow greater flexibility for municipal governments and DSSABs to manage their housing wait lists.**

Housing assistance programs work well when local flexibility is afforded. The Ministry should consult with municipal governments and DSSABs on how to best maximize local flexibility in the administration of housing wait lists as prescribed by the *Housing Services Act, 2011*, regulations and policies. More flexibility is needed by municipal governments and DSSABs to manage their social housing waiting lists in a way that is effective and cost efficient. For example, the HSA requires that eligibility is based on conventional RGI though this should be expanded to other types of housing subsidies.

**17. The Province should review the Special Priority Policy (SPP) for victims of domestic abuse for RGI assistance and create a dedicated Housing Allowance program for applicants with new provincial funding.**

Currently, victims of domestic abuse receive special priority on social housing waiting lists for RGI subsidies. However, this is not always the preferred solution for these families. Also, due to the increasing number of SPP applicants and the low turnover of RGI units, households on the chronological waiting list might still wait many months to receive a subsidy when the need for safe, secure housing is immediate. It is proposed that a more effective way to address this priority would be for the Province to create a dedicated Housing Allowance program with new provincial funding.

**18. The Province should increase the shelter allowances for recipients of provincially mandated income support programs.**

The rates paid to social assistance recipients on Ontario Works (OW) and the Ontario Disability Support Program (ODSP) program are inadequate to pay market rents. It is proposed that the Province increase housing affordability for social assistance recipients by raising the maximum shelter rates for recipients of provincially mandated income support programs. Affordability problems for low-income households, especially tenants, point to the chronic mismatch between price levels at which housing is supplied in the private market and the low incomes of many households.

**19. The Province should enhance funding for the Community Homelessness Prevention Initiative (CHPI) to support homeless clients to become and stay stably housed.**

The Province can best support successful tenancies by ensuring that persons are housed in places that are affordable, safe, suitable, and adequate to their needs.

The Community Homelessness Prevention Initiative (CHPI) program is the primary means to fund municipal governments and DSSABs to provide services to people experiencing homelessness. Any

strategy to increase the number of persons housed will require additional funding. CHPI should, at a minimum, be indexed to the rate of inflation on an annual basis.

### **Coordinated and Accessible Support Services**

Housing with supports can meet a range of diverse needs. There is a need to reduce complexity in Ontario's supportive housing system and work to be done to improve experiences and outcomes for Ontarians who need supportive housing.

Recognizing the interdependency of health and housing is good public policy. Greater integration of housing and support services are needed across the continuum of housing options. Supportive housing is an important source of affordable housing for a segment of the population requiring support services in order to remain successfully housed. It can also serve to help seniors age in place in line with provincial policies.

Following in this section are a number of recommendations designed to achieve more coordinated and accessible support services.

#### **20. The Province should build more supportive housing units to better meet demand.**

Targeted, strategic investments in housing and homelessness prevention programs will produce savings in other areas of provincial and municipal jurisdiction. It can produce savings to the corrections system, hospitals, long-term care homes, and other more costly health care services. These savings should be reinvested in housing and support services.

The government should continue to make linkages between the provincial Mental Health and Addictions Strategy with the Long-Term Affordable Housing Strategy to build a business case to develop more supportive housing units in the province.

#### **21. The Province should improve systemic collaboration between Local Health Integration Networks (LHINs) and municipal governments and DSSABs.**

It is essential that the Province continue with its 'whole of government approach'. Systemic collaboration is critically needed across the full spectrum of the various provincial ministries involved in funding and delivering housing services. This will be essential to break down the ministry silos and address the issue of homelessness from all angles. Specifically, it is imperative that the Province achieve a higher level of systemic collaboration and coordination between municipal governments, DSSABs, and Local Health Integration Networks (LHINs) to provide the support services required, including in social housing. The ministries of Municipal Affairs and Housing and Health and Long-Term Care should continue their efforts to improve systemic collaboration.

Improved collaboration will result in improved housing outcomes by linking health and housing services. It is imperative that the Province improve systemic collaboration and coordination between municipal Service System Managers and Local Health Integration networks. LHINs must be required to plan around housing in their Integrated Health Services Plan (IHSP). Further, the government should mandate the participation of the Local Health Integration Networks (LHINs) and other relevant ministries in the local planning process for the 10-Year Housing and Homelessness Plans. Likewise, municipal Service System Managers should plan for health needs in their housing and homelessness plans. Inter-ministerial program coordination and collaboration should be mandated within the *Housing Services Act, 2011*. An outcome of this collaboration should result in greater supports provided to residents of social housing.

**22. The Province should increase coordination of the various provincial housing and homelessness programs with municipal governments and DSSABs in the short term and engage in talks about further program consolidation over the long term.**

The Province administers more than 20 housing and homelessness programs. The current system is fragmented and an inefficient approach to meeting needs. Municipal governments and DSSABs have responsibility for establishing local 10-year housing and homelessness programs including targets for their local communities. However, they do not have control over the administration of all programs or close links to ensure coordination. As committed to the Provincial-Municipal Fiscal Service Delivery Review (PMFSDR) agreement of 2008, five of the programs were consolidated into the Community Homelessness Prevention Initiative (CHPI) as part of a first phase of consolidation. This initiative reduced administrative complexities for Service Managers and partner agencies and created greater local flexibility in identifying priorities and innovative solutions. In the short term, greater coordination between provincial programming and municipal initiatives is needed. Talks are needed over the long term to determine the benefits to municipal governments and the Province for further program consolidation.

### **Effective Use of Evidence and Best Practices**

Working collaboratively with the provincial government, municipal governments, and DSSABs can best achieve consistent levels of quality service across the province and maximize housing outcomes for Ontarians. Consistent with the pillar in the provincial Poverty Reduction Strategy, AMO agrees with the need to have program investments solidly backed by evidence and best practices. Further, AMO acknowledges a need for accountability for outcomes to our local communities but with the understanding, agreement, and greater co-ordination among senior levels of government with appropriate levels of funding.

To build capacity, provincially supported pilot projects could be utilized to test out new ideas and encourage innovation. There is a need to disseminate best practices in the housing sector to build capacity and encourage innovation.

Following in this section are recommendations on how to strengthen the use of evidence and best practices.

**23. The Province should work with municipal governments and DSSABs to develop housing outcomes.**

The Province should develop outcomes for housing programs in conjunction with municipal governments and DSSABs. Housing outcomes should be based on increasing access to affordable, safe, suitable, and adequate housing options. The Province should also consider how housing outcomes can lead to broader social, economic, and health outcomes for individuals and communities. Further, the Province should set measurable targets for its strategy and measure progress on an annual basis.

The Province has established a bold goal of ending homelessness and taken the necessary first step of establishing an Expert Advisory Panel on Homelessness which includes municipal service system manager representation. This is a positive first step towards developing common, systematic approaches to measuring the number of homeless people in the province and trying to address the challenge of ensuring the success of overall efforts to assist those persons experiencing or at-risk of homelessness. We agree with the Province's plans to start with ways to define and measure homelessness.

**24. The Province should develop a coordinated data approach for the sector.**

More robust data collection on a province-wide basis will allow for better planning by municipal governments and DSSABs at the local level by facilitating benchmarking. At the same time, data collection should not be onerous or place an excessive administrative burden on municipal governments and DSSABs. It should directly support program improvements.

Data should be used to produce a projection of how population trends will influence future affordable and social housing needs. The Province should work with municipal governments and DSSABs to establish realistic trends facing communities. Population trends help in the development of housing outcomes.

Coordinated data is required to support effective planning across the housing continuum. Data is utilized by municipalities as a toll for homelessness and housing programs and policies. It would be helpful if the Province used the 10-Year Housing and Homelessness Plans submitted by each municipality to identify common themes, activities, and proposed outcomes. This information and related data should inform the growing repository of evidence based practices.

**25. The Province should collect information on the capital repair backlog in the social housing portfolio.**

There are estimates that the capital repair backlog stands at \$1.5 billion according to the Housing Services Corporation (HSC, 2015, page 9). However, this information has not been systematically collected or verified by the Province. It is proposed that in its Service System Steward role the Province should undertake a study to determine the exact figure of the social housing capital repair backlog. This will assist to determine the means needed to address the problem.

**26. The Province should conduct analysis on the province-wide impact of the end of federal operating agreements on social housing.**

Currently, there is no apparent provincial strategy to deal with the end of federal operating agreements. Collecting and analyzing the impacts would aid advocacy efforts for continued federal engagement in social housing.

**27. The Province should conduct a review of the mandate and activities of the Housing Services Corporation (HSC).**

Currently, the Housing Services Corporation (HSC) provides a variety of services to the housing sector including group purchasing of utilities, insurance, and investment services. In addition, HSC plays a critical role in supporting capacity development for the sector by conducting research, providing training courses, and offering operational support services such as analysis of the impact of the end of operating agreements in Service Manager areas. HSC does all of this without any core operating funding from the Province.

AMO encourages the Minister to engage the broader sector in a dialogue about the range of services offered by HSC. It is good practice to periodically conduct reviews and it is timely for these reviews to coincide with the renewal of the strategy.

## Conclusion

AMO looks forward to collaborating with the Province further to review the recommendations in this submission in order to inform the renewal of the Long-Term Affordable Housing Strategy. To date, the Ontario government has worked closely with municipal governments and District Social Service Administration Boards (DSSABs) to address homelessness and affordable housing issues in Ontario. This will need to continue through the next reiteration of the strategy.

AMO's motivation in advocating for a strengthened housing system is simple: this important community service is under stress and Ontarians are facing significant housing supply challenges that must be addressed. This submission outlines essential actions needed to strengthen the foundations of Ontario's housing system and increase the housing options available to low and moderate income households. It supports the notion of strong and engaged provincial and federal partners in the housing field and includes making strategic contributions with an eye toward achieving a social and economic return on investment.

Addressing the affordable housing situation in Ontario requires the combined efforts of all three governments. It has to start, though, with a "Made in Ontario" solution led by the provincial government. The need for more resources into the system cannot be understated. The housing system has been underfunded by the provincial and federal governments for years and the downloading to municipal governments has taken its toll. The time is right for the government to take big actions. The success of the provincial Poverty Reduction Strategy and the bold commitment to end chronic homelessness are contingent upon a successful housing strategy.

## Appendix A

### Summary of Recommendations

1. The Province should help municipal governments and DSSABs to fund the cost of addressing the capital repair backlog in social housing.
2. The Province should allow housing providers to leverage finances against their assets without ministerial approval.
3. The Province should work toward developing new financing tools to enable social housing repairs, regeneration, and new affordable housing development.
4. The Province should end municipal subsidy of social assistance recipients in social housing by increasing rent and utility scales to the same shelter maximums as OW/ODSP clients pay for private rental housing.
5. The Province should invest in creating eco-friendly, energy efficient housing.
6. The Province should make Crown Lands available for affordable and/or social housing development.
7. The Province should expedite hearings for affordable housing projects through the Ontario Municipal Board (OMB).
8. The Province should expand the optional planning tools available to municipal governments to include inclusionary zoning as a means to incent and/or require affordable housing development.
9. The Province should ensure that affordable and social housing properties are assessed by Municipal Property Assessment Corporation (MPAC) based on their actual rents rather than market rent.
10. The federal and provincial governments should provide permanent, sustainable, and flexible funding for housing programs.
11. The Province should engage the federal government to advocate for the development of a National Housing Strategy that focuses on: sustaining social housing, increasing the supply of rental stock, promoting affordable home ownership, and preventing homelessness.
12. The Province should advocate that the federal government reinvest savings from expiring operating agreements back into social housing.

13. The Province should advocate that the federal government stimulate the rental market and promote home ownership with various means such as rental housing tax credits and home ownership programs.
14. The Province should expand the use of housing subsidies other than Rent-Geared-to-Income (RGI).
15. The Province should broaden provincially mandated service level standards to include forms of housing subsidies other than RGI.
16. The Province should allow greater flexibility for municipal governments and DSSABs to manage their housing wait lists.
17. The Province should review the Special Priority Policy (SPP) for victims of domestic abuse for RGI assistance and create a dedicated Housing Allowance program with new provincial funding.
18. The Province should increase the shelter allowances for recipients of provincially mandated income support programs.
19. The Province should enhance funding for the Community Homelessness Prevention Initiative (CHPI) to support homeless clients to become and stay stably housed.
20. The Province should build more supportive housing units to better meet demand.
21. The Province should improve systemic collaboration between Local Health Integration Networks (LHINs) and municipal governments and DSSABs.
22. The Province should increase coordination of the various provincial housing and homelessness programs with municipal governments and DSSABs in the short term and engage in talks about further program consolidation over the long term.
23. The Province should work with municipal governments and DSSABs to develop housing outcomes.
24. The Province should develop a coordinated data approach for the sector.
25. The Province should collect information on the capital repair backlog in the social housing portfolio.
26. The Province should conduct analysis on the province-wide impact of the end of federal operating agreements on social housing.
27. The Province should conduct a review of the mandate and activities of the Housing Services Corporation (HSC).

## Information Sources

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