

AMO's Response to Proposed Regulatory Amendments under the *Housing Services Act, 2011*

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Introduction:

AMO is pleased to respond to the regulatory posting concerning *Ontario Regulation 367/11* under the *Housing Services Act, 2011*. The actions taken by the government to renew community housing in Ontario and address longstanding issues raised by municipal governments is welcome and appreciated. AMO is supportive of the directions set out in the Community Housing Renewal Strategy and the amended *Housing Services Act, 2011*.

AMO's Response – Outcomes and Approach

AMO's response, if adopted by the government, will address many municipal issues including:

- providing clarity on the obligations of municipal service managers and funded housing providers upon the end of their mortgages/operating agreements;
- protecting against the loss of community housing supply from housing providers exiting the system and provide opportunities to grow the system by facilitating the entry of new housing providers;
- not increasing municipal costs or service delivery burden;
- increasing municipal flexibility to effectively manage community housing portfolios in ways that meet local need and circumstances;
- expanding access to more forms of innovative housing assistance to residents in need beyond the current Rent-Geared-to-Income (RGI) units and portable housing benefits; and,
- helping to ensure successful tenancies by connecting community housing tenants to more service supports in provincial systems, including health care, mental health, and addictions.

AMO values the contributions made by service managers' housing provider partners, as represented by the housing associations, as well as other community groups who are closest to serving both existing and prospective tenants. All share a goal of a sustainable community housing system for the people in need of housing assistance. Each brings perspective to the conversation.

AMO maintains positive working relationships with various housing associations, many of which are represented on our association's Affordable Housing and Homelessness Prevention Task Force including the Ontario Non-Profit Housing Association (ONPHA) and the Co-Operative Housing Federation (CHF-Ontario Region). AMO also has a strong relationship with AdvantAge Ontario, representing many seniors' community housing. Their respective positions, particularly about service agreement funding provisions, have been considered within the overall context of the response to the regulatory posting.

Consultations to date with AMO, the Ontario Municipal Social Services Association (OMSSA) and the Housing Strategic Steering Committee (HSSC) through the SMART table about the regulations have been productive and collaborative. The effort of the ministry staff is appreciated and valued. It reflects a commitment to 'government to government' consultation by the province with municipal government on the future of community housing. Also, it shows respect for the 'pay for say' principle as municipalities are the primary funders of the community housing system.

Together, our governments can achieve better outcomes for people. It is envisioned that because of the process, that there will be balance achieved between the shared interests and appropriate roles of the province and municipal governments. The comments in our submission are intended to guide ongoing discussions with this outcome in mind.

Comments

Overall, the regulations should follow in the spirit of the enabling legislative framework by maximizing local flexibility and not be overly prescriptive with significantly new requirements and rules. A new focus on outcomes, consistent with local Housing and Homelessness Plans, should be adopted as much as possible, as soon as possible with future regulatory development.

Service Agreements

When it comes to service agreements, the regulations must acknowledge and reflect the mature and evolving relationships between municipal service managers and community housing providers. The regulations must provide very broad, minimal provisions for Service Agreements between municipal service managers and community housing providers affording the ability to come to service (partnership) agreements that meet local need and circumstances.

This should include baseline provisions for municipal funding commitments for housing providers that are reasonable to maintain their viability, but not in an overly prescriptive manner that does not provide sufficient flexibility to effectively manage projects in municipal community housing portfolios. It is critical, appropriate, and principled that both the provincial and federal governments must continue their respective contributions to help keep buildings in a good state of repair suitable for occupancy and a good quality of life.

Ongoing participation and entry into the system should be based on voluntarily negotiated partnership (service) agreements between municipal service managers and housing providers based on incentives.

Exit provisions for housing providers must place conditions which protect existing tenants from housing instability and respect the years of public taxpayer investment to the housing provider (i.e., from municipal, provincial, and federal governments). There may be reasons that a service manager and a housing provider may agree to an exit out of the system, but it must be a well-considered decision and under conditions.

Service Levels

While the province maintains an interest in setting service level standards, municipal service managers require latitude in how to achieve them. More opportunities to allow a broader range of types of housing assistance to count towards service levels must be provided to provide greater choice for tenants and support innovation.

The regulations should afford a maximum amount of flexibility for municipal service managers to determine what counts toward the meeting of service levels to address local need and circumstances. To encourage continuous innovation, the regulations should not be overly prescriptive as to what specific types of housing assistance count toward Service Levels.

As well, there should be flexibility for service managers to determine the depth of housing assistance subsidy within parameters broadly and reasonably set by the province as system steward. This could be like RGI and Portable Housing Benefits. Approval by the Minister of Municipal Affairs and Housing of new forms of housing assistance used by Service Managers should not be required.

In time, the regulations should reflect an outcomes-based approach to meeting service levels grounded in local Housing and Homelessness Plans. This could be the subject of a phase II of regulation development.

Access

It is understood that the ministry is interested in feedback about possibly setting requirements for the access system and potential baseline rules, such as eligibility and priority rules, for the forms of assistance so that households with affordability needs continue to be supported to be able to access certain types of housing assistance in a new community housing access system.

At this time, there is not a significant system navigation problem that warrants a transformative change in how municipal access systems are regulated. Changing the access system is not a panacea solution to make up for demand vastly exceeding the supply of community housing. A more significant problem to address is the lack of health and wraparound supports that are needed to maintain successful tenancies in community housing. This will not be solved by further regulation, but rather greater inner-ministerial collaboration with the Ministry of Health and others.

Municipal service managers should be afforded flexibility to determine the appropriate integrated access system in their service areas based on local need and circumstances consistent with their Housing and Homelessness Plans. Overall, the community housing system needs less rules and should become outcome-based over time, grounded in local Housing and Homelessness Plans.

It is important that Service Managers must retain the ability and be afforded sufficient flexibility to set their own eligibility rules about certain matters, such as maximum absence from unit, income, and asset limits, etc. Service Managers must also retain the ability and be afforded sufficient flexibility to set their own local priority categories.

Conclusion

AMO looks forward to continuing work with the Ministry of Municipal Affairs and Housing and municipal service managers representatives to codevelop a comprehensive Community Housing Framework to guide regulatory development based on the feedback received from this regulatory posting.

Next Steps

AMO believes that the technical feedback provided by the associations representing municipalities and District Social Service Administration Boards, including the Ontario Municipal Social Service Association (OMSSA) and the Northern Ontario Service Deliverers Association (NOSDA), should be duly considered.

It is recommended that ongoing discussions continue to work out the technical details with the SMART Table. In addition, it would be useful for the ministry to meet with the HSSC and OMSSA 47 Housing Leads to report back what was heard through the posting and receive further feedback, as all have a significant stake in the outcome in shaping community housing for years to come. AMO also anticipates consultation by the Minister at the political table before final decisions are made. It is important to get this right in a timely manner, without unintended consequences, through as broad a consultation as possible.