



## **Wellesley Institute backgrounder: Ontario puts up scaffolding for long-term affordable housing plan, but there's still plenty of unfinished business**

*29 November 2010*

The Ontario government has put up the scaffolding for a long-term affordable housing strategy, but there's plenty of unfinished business for Queen's Park as it seeks to build a truly comprehensive plan to ensure everyone has access to a healthy, affordable home.

After six months of consultations, more than 1,000 detailed submissions and a year of writing, Ontario housing minister Rick Bartolucci released the much-needed and long-overdue plan earlier today. Minister Bartolucci says that draft legislation to implement changes to housing legislation will be introduced this afternoon, with other details of the plan coming over the next year or two.

There are some important new ideas proposed in the plan, but overall the strategy falls short of the five key tests set out by the Ontario Network of Ontario, a provincial housing coalition that has been endorsed by more than 485 local organizations and individuals across the province. The check-list at the end of this quick response sets out the key tests from the Housing Network of Ontario, and an assessment of the Ontario housing plan delivered today.

Research and policy work from the Wellesley Institute and others demonstrates that a good home is not only critical for personal health, but also for the health of entire communities. [Precarious Housing in Canada 2010](#) provides a synthesis of recent research on housing and health.

### **No new provincial housing funding**

There is no commitment to new provincial operating or capital dollars for housing, only a promise to seek to "engage" the federal government. While today's plan offers a "continued commitment" to building and repair of housing, there are no new provincial dollars.

According to Ontario's Public Accounts, the provincial share of affordable housing operating funding was \$169 million in the fiscal year ending March 31, 2010 – that's down from \$187 million in 2009 and down from \$197 million in 2003. The provincial share of affordable housing capital spending was up considerably at \$347 million in fiscal 2010, almost entirely due to provincial matching of one-time federal housing dollars. That funding will expire at the end of March 2011, leaving provincial capital investments in housing to fall considerably.

Today's plan notes that federal housing investments are due to drop sharply in the next few years, and will drop to zero within two decades. This will mean a loss of about half a billion dollars in affordable housing operating investments annually. In 2009, the Ontario auditor-general called on the housing ministry to develop a plan to deal with the federal "step-out". The housing plan released today notes the concern, but doesn't offer any strategy.

### **No targets, no timelines, no accountability for results**

Housing experts agreed that a key element of any long-term affordable housing plan for Ontario is specific targets and timelines for new affordable homes, and accountability for results. There is no commitment in the plan released yesterday to fund a single new unit of affordable rental or ownership housing.

The plan notes that Ontario has made “significant investments” in building and repair of affordable housing in recent years. The housing ministry says that, as of the end of October 2010, the province (including federal investments) has funded 15,059 new affordable rental or ownership units since 2001 – that’s an average of 1,900 new homes annually. While there is some federal and provincial funding still in the pipeline, most of the money to pay for new homes will expire in the next year or two.

While today’s plan devotes a section to “accountability” and a second section to “measuring results”, without specific targets and timelines, it is not clear what the Ontario government is promising to be accountable to, and what results it is measuring.

### **No Ontario Housing Benefit, but promise to ‘explore options’**

Housing unaffordability – the large and growing gap between the high cost of housing and the stagnant incomes of low, moderate and middle-income Ontarians – is one of the most important housing challenges facing Ontarians. A group of policy experts has been working for more than a year on the design of a universal housing benefit to bridge that gap. Today’s housing plan says that “current financial challenges do not allow us to proceed to implement such a program at this time”, but promises “to explore this and other options for low-income Ontarians”.

### **Consolidating homelessness / housing initiatives: Important step forward**

Today’s announcement notes that Ontario currently spends about \$430 million on more than 20 housing and homelessness programs scattered over a number of ministries. The new long-term affordable housing plan pledges to more closely co-ordinate these funding programs and to ensure that they are “flexible and tailored to local needs”.

The promise of an “integrated, client-centred approach” is an important step forward and would allow a local municipality to shift funding from expensive short-term measures – like overnight shelters – to permanent housing. The consolidation will begin with five specific programs. Ontario’s municipal service managers have already been taking important steps in integrating a variety of human services programs. The planned consolidation is an important step forward.

However, as with the operating and capital funding for housing, there are no new dollars announced for any of the homelessness prevention and housing initiatives (such as the homelessness prevention program, emergency energy fund, emergency hostels, domiciliary hostels and rent bank) – many of which are stretched to capacity in many communities.

Local administration and flexibility is critical, but local communities need access to a variety of provincially-mandated tools and funding. To avoid balkanization of housing / homelessness policies, the province needs to set overall standards and targets. The complete tool-kit, enhanced funding and overall provincial targets are missing from today’s plan.

## **No inclusionary housing; but secondary suites to be recognized**

Ontario continues to build tens of thousands of new homes annually, but most of them are at the upper end of the ownership or rental spectrum. Inclusionary housing mechanisms are used in hundreds of US municipalities to require affordable housing in all new developments, but these mechanisms cannot be used by Ontario municipalities without the specific permission of the provincial government.

Today's plan includes no commitment on inclusionary housing policies – a vital component to building strong, healthy and inclusive communities. But the plan includes a promise to introduce amendments to the *Planning Act* to require municipalities to establish policies for secondary units (self-contained rental units within existing or new housing).

## **Simplifying rent-geared-to-income: Important gain for tenants**

A major advance in today's announcement is the plan to bring forward legislation that would bring some sense to the administratively cumbersome and unnecessarily complex legislation regarding rents in subsidized housing. This issue was brought into sharp focus with the death of Toronto Community Housing Company tenant Al Gosling, who died after being evicted.

The province has pledged to reduce or eliminate the more than 60 bewildering criteria currently used to determine monthly rent, and replace with a simple system that effectively tracks changes in income (increase or decrease) and allows for proper adjustment in rent.

The plan also calls for the Housing Services Corporation (the new name for the previous Social Housing Services Corporation) to work with housing service managers to pilot an asset building program to allow tenants living in social housing to build personal assets and become more financially self-sufficient.

## **Other housing measures**

Also included in today's announcement:

- The Social Housing Services Corporation, to be renamed the Housing Services Corporation, will take on an expanded role working with housing providers and tenants on a variety of initiatives, including energy efficiency and tenant property insurance.
- Adjustments to Ontario's social housing waiting lists – which have grown to a record-length of more than 140,000 households – will be made.
- More flexibility for municipal service managers to work with non-profit and co-operative housing providers.

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<p><b>Test one: Bold targets and sustained funding</b>  <b><i>A Long Term Affordable Housing Strategy must ensure an adequate supply of quality, affordable housing for Ontarians, supported by multi-year financial commitments. The Ontario government should commit to:</i></b></p> <ul style="list-style-type: none"> <li>○ Funding a housing program that creates a minimum of 10,000 universally accessible affordable non-profit and co-op developed housing units annually for 10 years.</li> <li>○ Provide funding so that at least 50% of these units can provide “rent geared to income” assistance.</li> <li>○ Create an annualized fund to repair &amp; maintain existing and new affordable housing units.</li> <li>○ Make government land available for affordable housing.</li> <li>○ Create innovative financing options and enhance existing loan funds for developers of affordable housing.</li> <li>○ Strengthen the development and technical capacity of the affordable housing sector.</li> </ul>	<p><b>What’s in today’s announcement:</b></p> <ul style="list-style-type: none"> <li>● No new funding</li> <li>● No multi-year commitment</li> <li>● No innovative financing options</li> <li>● No strengthening of development / technical capacity of sector</li> </ul>
<p><b>Test two: A solid measuring stick</b>  <b><i>An effective Housing Strategy requires a solid foundation of accurate evidence about the scale of housing insecurity and homelessness in Ontario and a clear way to measure progress. Housing measures must track progress on whether actions taken under the Long-Term Affordable Housing Strategy are:</i></b></p> <ul style="list-style-type: none"> <li>○ Systematically reducing the number of households on the wait list for affordable housing in all regions of Ontario;</li> <li>○ Addressing the housing affordability problem through consistent annual reductions in the percentage of Ontario tenants spending 30% or more of income on housing;</li> <li>○ Improving access to suitable and adequate affordable housing for members of marginalized groups, including Aboriginal People, communities of colour, people with disabilities and mental health issues, lone mothers and people living in rural and northern communities.</li> <li>○ Consistently reducing the number of Ontario households in core housing need, the number of households facing eviction due to high rent costs, and the number of Ontarians in homeless shelters.</li> </ul>	<p><b>What’s in today’s announcement:</b></p> <ul style="list-style-type: none"> <li>● Ontario Housing Measure only covers families with children – the rest of Ontarians left out</li> <li>● Federal decision to cancel Long Form Census will make it harder to measure Core Housing Need</li> </ul>

<p><b><i>Test three: Accountability</i></b>  <b>Ontario’s Long Term Affordable Housing Strategy needs to be kept on track, and the plan must remain accountable to the people it intends to serve. Accountability measures should include:</b></p> <ul style="list-style-type: none"> <li>○ Annual public reporting on progress.</li> <li>○ Committing to ongoing public consultation, as the plan unfolds.</li> <li>○ Improved coordination of housing and related programs between Ministries to ensure the best possible outcomes for Ontarians in housing need.</li> <li>○ Local control of program design and delivery to suit local needs.</li> <li>○ Setting up a Residents Review Committee that is equitably representative of people who have experienced housing insecurity, along with grassroots leaders and experts.</li> <li>○ Appointing a full-time Minister of Housing to ensure affordable housing is a government priority.</li> </ul>	<p><b>What’s in today’s announcement:</b></p> <ul style="list-style-type: none"> <li>● Promise of annual reports</li> <li>● Province says municipalities will have to engage community</li> <li>● Significant step towards local program design and delivery</li> <li>● Current minister must share housing and municipal affairs responsibilities</li> </ul>
<p><b><i>Test four: Make housing truly affordable and accessible</i></b>  <b>All Ontarians should be able to access housing they can afford, and supports should be provided to ensure equitable thriving, inclusive communities.</b></p> <ul style="list-style-type: none"> <li>○ Introduce a monthly Universal Housing Benefit for low income Ontarians to close the gap between low incomes and high housing costs.</li> <li>○ Expand the priority list for social housing to include equity seeking community members: Aboriginal People, communities of colour, people with disabilities and mental health issues, lone mothers, and others facing discrimination by landlords.</li> <li>○ Fund retrofits to ensure older units are accessible for people with disabilities, and design new affordable units to ensure accommodation for diverse household size and universal accessibility.</li> <li>○ Provide funding for at least 2,000 new supportive housing units annually that provide culturally appropriate services to support people with disabilities, mental health issues and addictions to maintain their housing.</li> <li>○ Fund an energy affordability program that provides ongoing financial assistance to low-income Ontarians who cannot afford rising home energy costs.</li> <li>○ Introduce a tax credit to support low and modest income households to purchase affordable homes.</li> </ul>	<p><b>What’s in today’s announcement:</b></p> <ul style="list-style-type: none"> <li>● No commitment to Ontario Housing Benefit, just vague promise to ‘explore this and other options’</li> <li>● No commitment to new funding for supportive housing</li> <li>● Ontario emergency energy fund to be rolled into “consolidated” initiatives, but no commitment to new funding</li> <li>● No affordable home ownership options</li> </ul>

<p><b>Test five: Reform housing legislation to build stronger communities</b></p> <p><b><i>Key legislation that governs municipal planning, social housing and the private rental market must be reformed to promote growth in affordable housing, better protect the housing rights of tenants and provide flexibility for non-profit and cooperative housing providers.</i></b></p> <ul style="list-style-type: none"> <li>○ Overhaul the Social Housing Reform Act to give community housing providers control and a fair appeals process to review decisions made by service managers.</li> <li>○ Improve fairness for social housing tenants by restricting punitive rent-geared-to-income rules and allowing tenants the right to an independent review of loss of subsidy decisions.</li> <li>○ Amend the Residential Tenancies Act to better protect tenants and ensure landlords cannot raise rents on vacant units beyond rent regulation guidelines.</li> <li>○ Amend the Planning Act to allow municipalities to introduce inclusionary housing policies to create new affordable housing.</li> <li>○ Give cities the power to expropriate abandoned properties for affordable housing conversion.</li> </ul>	<p><b>What's in today's announcement:</b></p> <ul style="list-style-type: none"> <li>● Very important changes to the SHRA on rent rules</li> <li>● No promise to amend the RTA</li> <li>● No inclusionary housing commitment</li> <li>● Promise to expand use of secondary rental units in new and existing developments</li> </ul>
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