



## **Long Term Affordable Housing Strategy Renewal**

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A Renewed Vision for Sustainable Affordable Housing in Ontario

*Submitted to:*

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## Introduction

The provincial government's stated commitment to address affordable housing challenges in Ontario is a game changer. We now find ourselves no longer debating *whether* things need to change or be done to address housing affordability. Refreshingly, we are now all discussing *how* we can do things to improve the lives of Ontarians and the health and sustainability of our communities through a strong foundation of access to affordable housing.

The government's current effort on the *Long Term Affordable Housing Strategy* (LTAHS) is so much more than a "renewal". It presents an opportunity to identify the critical factors that will continue to facilitate Ontario's 47 Consolidated Municipal Service Managers (CMSMs) and the District Social Services Administration Boards (DSSABs) role in addressing the issue of housing affordability in every corner of the province.

The following submission provides recommendations of what is needed for CMSMs and DSSABs to strategically and resourcefully work in their communities to address local issues through innovation and local solutions. The recommendations focus on modernizing how we approach managing and funding the housing system through innovation and tackling some of the remaining structural challenges.

The Ontario Municipal Social Services Association (OMSSA) represents 47 CMSMs and DSSABs who are the designated Service Managers responsible for meeting objectives and targets relating to housing needs in their service area. CMSMs and DSSABs establish, administer and fund housing and homelessness prevention programs that are informed by priorities in their 10 year Housing and Homelessness Plans as well as provincial and federal programs and legislation.

Since the introduction of the *Housing Services Act* (HSA), progress has been made in addressing housing affordability challenges and homelessness prevention efforts in a more locally focused way. CMSMs and DSSABs have been provided greater flexibility in working with the resources at hand and in their communities to assist people where they live. With the renewal of the province's LTAHS and the government's commitment to poverty reduction we now have an opportunity to further enable and facilitate CMSMs and DSSABs in their capacity as Service System Managers. More importantly, we have an opportunity to better leverage resources and willing partners to provide more Ontarians access to safe affordable housing.

It makes a great deal of sense to position addressing access to housing and homelessness prevention within the province's Poverty Reduction Strategy (PRS). We agree, lack of affordable housing is one aspect of and a symptom of broader social and economic challenges including: job precarity, poor health and lack of access to health care, outdated community planning, and overall challenges in community health, well-being and sustainability.

At the local level, in communities across Ontario, CMSMs and DSSABs, as orders of government and local leaders, are in many cases putting into action what is currently being considered at the broader policy level and through the LTAHS and PRS consultations. Because of proximity and their service system management role, municipal governments and DSSABs are at the front line of responding to community need and are resourceful in doing so. In short, there are many examples where CMSMs and DSSABs are utilizing the flexibility provided in the HSA and their role as government to coordinate, streamline and innovate to help people in their communities.

The government must work in partnership with OMSSA, CMSMs and DSSABs, through the LTAHS renewal and efforts on poverty reduction, to develop a sustainable vision for affordable housing in Ontario that focuses on achieving measurable outcomes for residents through service quality, financial stability, and asset preservation.

This submission addresses the key goals of the LTAHS: achieving better outcomes for more people, creating more affordable housing opportunities and to end and prevent homelessness.

Critical to achieving these goals, we believe are the following:

- Increased flexibility through the Service Manager role;
- Strengthening the provincial-municipal partnership in addressing housing affordability and homelessness prevention;
- Integrated, coordinated and streamlined policies, programs, guidelines and regulations - both on the ground and across provincial ministries - to serve communities across Ontario
- Framing housing affordability and homelessness prevention in a broader vision of community health, wellbeing, and social and economic sustainability.

Included in this submission are several examples that demonstrate the benefits of local flexibility and how this promotes innovation. What is also provided are recommendations for change to strengthen local flexibility, responsiveness and advancing solutions to housing affordability - practical recommendations that will facilitate achieving objectives of the LTAHS and poverty reduction efforts over the next 5 years.

## Context

OMSSA, CMSMs, DSSABs and the provincial government agree that addressing housing affordability requires partnerships across all orders of government, guided by municipalities, DSSABs, the private sector and the broader community of funders, service providers and key stakeholders. We also agree on the need for local flexibility, and innovative practices to meet the growing and changing demands related to affordable housing.

The context that accompanies these agreements is that solutions must be based on the understanding that Ontario's housing system is complex and multilayered and that:

- Ontario does not have a single housing market;
- Local demographics and incomes are key variables to housing affordability; and
- Ontario's North requires additional consideration.

This context is a clear confirmation that local flexibility and processes need to be enhanced. Recognition of the above factors and what is needed to address these must be considered in any and all provincial initiatives and directions on addressing access to and affordability of housing within the context of poverty reduction.

The complexity and diversity of the housing system in Ontario is reflected in the 47 Housing and Homelessness Plans. Provincial initiatives and directions need to acknowledge this complexity and diversity and enable CMSMs and DSSABs to implement their plans effectively.

As touched upon previously, our submission is structured around four central themes:

1. Accountability and local flexibility;
2. A whole of government approach;
3. Engaging OMSSA, CMSMs and DSSABs to government initiatives that promote local flexibility and service management; and
4. Building on innovation and current efforts and initiatives.

## **Summary of Recommendations**

### ***Accountability and Local Flexibility***

1. *Establish high level principles for the administration of affordable and social housing that are agreed to by CMSMs and DSSABs.*
2. *Permanent, sustainable, and flexible funding for housing programs.*
3. *Give CMSMs and DSSABs the authority to set locally appropriate rent rules for projects funded through new supply programs.*
4. *Work with the federal government to eliminate the program specific rules set out in schedule 5 of O. Reg. 367/11.*
5. *Renew and fulfill the Provincial commitment to simplify the Rent-Geared-to-Income (RGI) system.*
6. *Harmonize the definitions of income for all "income tested" programs which are being delivered by Service Managers on behalf of the Province.*
7. *Reduce Strong Communities Rent Supplement program rules.*
8. *Support the use of Community Homelessness Prevention Initiative (CHPI) funding for longer term housing allowances targeted to Housing First tenants, in addition to enhancing the CHPI funding.*
9. *Amend regulations and reduce requirements for ministerial consents to encourage innovation in leveraging social housing assets for investments in building repairs, expansions and energy retrofits.*
10. *Greater flexibility for CMSMs and DSSABs to manage their social housing wait lists.*
11. *Support the long-term sustainability of social housing by modernizing affordability assistance by eliminating Service Level Standards based on RGI, simplifying RGI rules and providing greater flexibility to use a range of affordability options to meet local needs.*

### ***A Whole of Government Approach – Working with CMSMs and DSSABs as Partners on Government Initiatives***

12. *Create provincial grants, tax benefits and other financing tools.*
13. *Ensure CMSMs and DSSABs have appropriate housing planning tools.*
14. *Long term funding commitments.*
15. *Provide access to surplus properties to increase affordable housing opportunities.*

16. *Improve systemic collaboration between government ministries, agencies, and CMSMs and DSSABs.*
17. *Convene formal tables that focus on housing and homelessness at both provincial and local levels.*
18. *Increase coordination of provincial housing and homelessness programs and explore further program consolidation over the long term.*
19. *Create more supportive housing units to meet demand that are integrated into the existing housing and homelessness service system.*
20. *Create policies at a federal and provincial level that encourages and promotes the development of affordable rental housing.*
21. *The Province assist low-income residents through sustainable increased funding for rent supplements, housing allowances, and/or other shelter benefits.*

### ***Building on Innovation, Growing Current Efforts***

22. *Support locally funded housing allowances and rent subsidy programs that do not currently contribute to the fulfillment of provincially prescribed service level standards.*
23. *Create a dedicated funding stream for innovative pilot projects to encourage launching of innovative local housing solutions.*
24. *Refine the definition of supportive housing and evaluate its impacts to the larger housing sector.*
25. *Where possible, develop supports that are portable, rather than having supports connected to a specific unit or housing project.*
26. *Invest in capacity building for all Service Managers who must develop a skill set that, until now, was not required in program delivery (i.e. innovative financing, property development, strategic planning, etc.).*
27. *Remove the barriers to leveraging current assets by opening mortgages and debentures.*
28. *Eliminate program funding restrictions, such as the “use it or lose it” restriction.*
29. *Coordinate funding of a feasibility study into a Canadian Housing Bank to support social housing regeneration, as purposed by the Housing Services Corporation (HSC).*
30. *Revise the assessment act and Municipal Property Assessment Corporation (MPAC) processes that support predictable and sustainable taxation and valuation practices for all social and affordable housing.*

31. *Review the impact of rent scales and RGI on CMSMs and DSSABs.*
32. *Adjust utility scales to current costs.*
33. *Invest in creating eco-friendly, energy efficient housing.*
34. *Review the Special Priority Policy (SPP) for victims of domestic violence for RGI assistance and create a dedicated Housing Allowance program with new provincial funding and support services to provide more effective and timely assistance.*
35. *Develop a sector-wide coordinated data approach.*
36. *Provide provincial funding and policy support to facilitate greater economies of scale across the housing sector.*

## ***Accountability and Local Flexibility***

Like the provincial government, CMSMs and DSSABs are accountable orders of government subject to stringent oversight; decision making, funding allocation processes and priority setting as examples, and must meet strict criteria for accountability, transparency and resource efficiency. As the order of government closest to the people, there is little CMSMs and DSSABs do that avoids the direct oversight of locally elected officials, citizens and both the provincial and federal government. In fact, it can be argued that the oversight municipalities and DSSABs are subject to is far greater than that of the provincial government.

With the introduction of the HSA, the government has introduced limited flexibility for CMSMs and DSSABs. However the HSA has not given CMSMs and DSSABs the full flexibility to decide how and where to provide assistance to best meet people's needs. It is time to fully utilize local decision-making.

Given the above, what CMSMs and DSSABs require from the Province is a more structured and formalized role to achieve our shared outcomes in complex housing related issues.

What is needed at this time is a regulatory environment that no longer stifles local innovation.

It is understood that the HSA was a good first step in moving to a new state of housing policy and delivery. However, there is more to be done. We can all agree that current restrictions arising from the *Social Housing Agreement* legacy programs, social assistance rent scales, service level standards, the special priority policy and utility scales, to name a few, are impediments to realizing local innovation and responsiveness. In addition, planning policy and other regulations that impede development opportunities also continue.

Municipalities and DSSABs are currently subject to over 200 service agreements with the Province. It is time to introduce coordinated and streamlined planning processes and reduce bureaucratic micromanaging. In terms of the HSA, the Province must facilitate the provision of affordable housing and homelessness prevention programs that enhances the Service Manager's ability to manage at a system and housing portfolio level and gives them the capacity to create long-term and sustainable housing solutions within the respective local context.

Recommendations relating to accountability and local flexibility include:

1. *Establish high level principles for the administration of affordable and social housing that are agreed to by CMSMs and DSSABs.*

As identified in the earlier submission by HSC-OMSSA and the Service Managers Housing Network, *Building Sustainability in the Housing System*, rather than prescriptive or restrictive policies and regulations, the Province, beyond the *Housing Policy Statement*, needs to establish high level principles for the administration of affordable and social housing that are agreed to by CMSMs and DSSABs. CMSMs and DSSABs would then be able to effectively respond to their communities and local opportunities. This could include responding appropriately to local needs in areas such as the administration of RGI units and the waiting list system.

2. *Permanent, sustainable, and flexible funding for housing programs.*

To maintain and develop affordable housing, the federal and provincial governments must meet their funding and regulatory responsibilities. This includes the federal government re-investing the savings from the expiry of operating agreements back into social housing, while the provincial government must look to re-assume responsibility for its fair share of the cost of social housing.

There is a great deal that a new and flexible regulatory environment can provide. However, the extent of current capital repair and emerging housing pressures require investments from all orders of government on an ongoing and sustainable basis.

CMSMs and DSSABs require predictable sources of revenue in order to successfully plan for housing programs in the long-term. It is not possible to build a long term plan on short-term commitments. In addition, CMSMs and DSSABs must be provided flexibility and discretion to meet the needs in their communities. The Canada-Ontario Investment in Affordably Housing (IAH) program must be reviewed and revised to ensure that it adequately meets the flexibility and local discretion of CMSMs and DSSABs. The Province should also make an early financial commitment to renewing and making permanent the IAH program and enhancing the investments available to Service Managers.

More flexibility for housing programs will improve access and encourage the design of initiatives to respond to unique programming gaps and growing demand within a specific community.

3. *Give CMSMs and DSSABs the authority to set locally appropriate rent rules for projects funded through new supply programs.*

As per the discussion above, greater flexibility and recognition of CMSMs and DSSABs as the Service System Managers requires the ability to respond to local needs and resources in a flexible and timely way.

We recommend further discussion and exploration of a principally driven approach that meets accountability and transparency requirements for both the provincial government and municipalities and DSSABs between the province, OMSSA, CMSMs and DSSABs.

4. *Work with the federal government to eliminate the program specific rules set out in schedule 5 of O. Reg. 367/11.*

This would enable CMSMs and DSSABs to integrate market rent units into public housing projects, develop transition and sustainability plans for projects with expiring operating agreements, and reallocate housing provider RGI targets, as needed, to sustain the projects and better serve community needs.

5. *Renew and fulfill the Provincial commitment to simplify the Rent-Geared-to-Income system.*

The Ministry of Municipal Affairs has recognized the need to find a new and more responsive approach to funding the social housing system including RGI.

We recommend that this effort be revitalized through working with the Association of Municipalities of Ontario, OMSSA and CMSMs and DSSABs.

6. *Harmonize the definitions of income for all "income tested" programs which are being delivered by Service Managers on behalf of the Province.*

CMSMs and DSSABs are responsible for Ontario Works, child care and early years and social housing planning, managing, funding and delivery. Working with clients in any and all of these programs in discrete silos makes little sense for both the client and resource allocation and administration. CMSMs and DSSABs in many cases are moving towards integrated human services administration at the local level. The time is right to enhance and support these efforts.

The Ministry of Municipal Affairs and Housing should consider the current best, and simplest model, the Ministry of Education's use of line 236 on the Notice of Assessment for child care fee subsidy.

Some CMSMs and DSSABs now use this approach as their eligibility criteria for Ontario Renovates.

7. *Reduce Strong Communities Rent Supplement program rules.*

In particular, the restrictions on moving funding across program streams, to better enable CMSMs and DSSABs to prepare for the 2023 program funding end date.

8. *Support the use of Community Homelessness Prevention Initiative (CHPI) funding for longer term housing allowances targeted to Housing First tenants, in addition to enhancing the CHPI funding.*

The CHPI program is the primary means for CMSMs and DSSABs to fund and to provide services to the homeless. Service Managers need flexibility to use CHPI funding for homelessness and/or housing allowances or other housing initiatives in line with the identified needs of their communities, and in support of the goals of their Housing and Homelessness Plans.

Additional CHPI funding will be required in order to increase the number of persons housed. CHPI should, at a minimum, be indexed to the rate of inflation on an annual basis. It is also recommended that the government consider multi-year funding allocations for CHPI in order to encourage longer term planning and service delivery partnerships.

9. *Amend regulations and reduce requirements for ministerial consents to encourage innovation in leveraging social housing assets for investments in building repairs, expansions and energy retrofits.*

At present, social housing providers are limited in their ability to borrow against their assets to raise capital for repairs or the repurposing of social housing units. It is recommended that the government lift this restriction on housing providers in order to facilitate and perpetuate the maintenance of social housing units.

10. *Greater flexibility for CMSMs and DSSABs to manage their social housing wait lists.*

Rigid criteria for social housing wait lists have created a system that is both administratively onerous and costly. It is recommended that the government give CMSMs and DSSABs greater flexibility to manage their social housing wait lists, allowing them to design their system in the most effective and cost efficient way for their community. For example, amend s.46(4)(iii) of O. Reg 367/11 to allow Service Managers to remove a household from the waiting list, or lower its priority on the list, if it has accepted a subsidized unit in any service area.

11. *Support the long-term sustainability of social housing by modernizing affordability assistance by eliminating Service Level Standards based on RGI, simplifying RGI rules and providing greater flexibility to use a range of affordability options to meet local needs.*

### ***A Whole of Government Approach – Working with CMSMs and DSSABs as Partners on Government Initiatives***

We are pleased that OMSSA, its members and the provincial government are aligned in recognizing that in order to address the complex issues of housing affordability and the broader issues of poverty it requires an all hands on deck approach. OMSSA and its member's expertise as Service System Managers can really come in to play on a plan for broader systemic change. This includes providing advice on policy changes as well as working together on a new way forward at the local level. This includes engaging the private sector and other key partners.

Related to the considerations of accountability and local flexibility, streamlining and integrating processes for the purposes of developing an approach that links and aligns resources and improves outcomes, it makes sense that as partners the province, municipalities and DSSABs develop a strategic approach at the provincial and local levels that includes understanding, aligning and streamlining the many resources currently in the system to reduce barriers to services and change. It is time to look at current efforts and objectives with an eye towards how each program aligns and, where appropriate, can integrate. Better alignment and integration across provincial ministries, and between Local Health Integration Networks (LHINs) and Service Managers, is needed to support CMSMs and DSSABs in the implementation of their 10 year Housing and Homelessness Plans.

This is not a simple task, but one that is much needed.

Comprehensive and coordinated policies and programs that support CMSMs and DSSABs in implementing the Housing First approach that improve supports, housing choices and access to social and health services are required to move Ontario's housing and homelessness prevention system into the future. Integration and coordination will also ensure that housing services that assist vulnerable populations are not duplicated or shifted to Service Managers without sufficient funding. Persistent silos across provincial ministries and funding sources complicates and limits how far CMSMs and DSSABs can go in adopting a Housing First approach, in addition to aggravating negative impacts on the overall housing system.

Recommendations relating to a whole of government approach include:

12. *Create provincial grants, tax benefits and other financing tools.*

Options of grants, tax benefits and other financing tools will provide CMSMs and DSSABs with greater flexibility to support housing construction and maintenance efforts. In addition, these tools would serve to build relationships between Service Managers and the private sector.

13. *Ensure CMSMs and DSSABs have appropriate housing planning tools.*

The government should strengthen existing planning tools and support the creation of new tools that would benefit the housing system. The advancement of planning tools will assist CMSMs and DSSABs with increasing the housing supply and affordable housing targets in their communities. Examples include: inclusionary zoning and conditional zoning, density bonusing, development permit system, and development charges.

14. *Long term funding commitments.*

The need for long term funding approaches is important for not only the sustainability of the system and improving access, but also for attracting new partners. Long term funding commitments will appeal to private sector investments, supporting the migration of RGI units to affordable and mixed housing developments.

15. *Provide access to surplus properties to increase affordable housing opportunities.*

The creation of affordable housing is often made possible by the contribution of surplus public land. Public sector land banks should be catalogued, valued, and leveraged. School boards, CMSMs and DSSABs, all maintain property which is often serviced and available for redevelopment. The reduced land costs can incent a private developer to partner with CMSMs/DSSABs to create housing units where additional program funds can be applied to deepen the level of affordability.

For example, the Cochrane DSSAB partnered with local municipalities to develop new affordable units and to redevelop existing properties which can be used as transition housing. This has reduced pressure on the community shelter system, alleviating homelessness, while benefiting the private sector by its engagement in the housing planning and construction.

16. *Improve systemic collaboration between government ministries, agencies, and CMSMs and DSSABs.*

- The government should review 10 year Housing and Homelessness Plans to inform the LTAHS renewal. In their plans, CMSMs and DSSABs have outlined various strategies and targets for improving the system of individualized supports related to obtaining and maintaining housing. This information is an invaluable resource and provides an opportunity for further engagement between the government and CMSMs and DSSABs.
- Provide a framework and increased provincial direction and support to CMSMs and DSSABs to build partnerships between the housing, health (including mental health and addictions) and human and social services sectors, including developmental services, justice, child and youth services, and seniors. This framework should include determining who should be the “lead” partner when collaborating on housing and homelessness prevention initiatives and an obligation to work in partnership and collaboratively with CMSMs and DSSABs. Precedence in this approach has been established in the Ministry of Education's *Child Care and Early Years Act* as well as in the initial Local Immigration Partnerships (LIPs) agreements with the Ministry of Citizenship and Immigration.
- Increased opportunities are needed and available for cross collaboration between housing and health sectors. Local Health Integration networks (LHINs) must be required to plan with CMSMs and DSSABs on housing initiatives and funding through their Integrated Health Services Plan (IHSP).

An example of the benefits of local collaboration and partnership between the housing and health sectors is demonstrated in Norfolk County.

Service Managers were invited to participate at the Health Links tables for Haldimand and Norfolk Counties in an effort to identify links between housing affordability and retention and improved health outcomes for residents. As a result of this collaboration, Community Paramedicine Wellness Clinics were established in five social housing buildings with Health Links funding, providing invaluable health supports to tenants.

Additionally, Service Managers in the central east have developed a Housing and Homelessness Framework with the Central LHIN that is intended to promote collaborative strategic planning, improve co-ordination of service level planning, and align and maximize investment/funding opportunities between the sectors.

- Inter-ministerial program coordination and collaboration should be mandated within the HSA. The government must give a clear directive to relevant ministries regarding participation in the local planning process for the 10 year Housing and Homelessness Plans through collaboration and partnership with CMSMs and DSSABs. Supports and all new funding related to housing delivered through all ministries and their agents must align with local housing plans.
- Outcomes for housing programs should be developed by both CMSMs and DSSABs and the government and its relevant ministries in partnership.

- Increase collaboration and communication between government ministries, including those that are not involved in housing but have a housing component, to ensure that legislation, policies and programs are mutually supportive. For example, the alignment of the Provincial Mental Health Strategy with the Investment in the Affordable Housing Program will also ensure that there are appropriate client-oriented supports in place to effectively address the needs of vulnerable populations, such as victims of domestic violence and those with mental health challenges.
- Establish a provincial requirement where all discharge planning must apply a Housing First approach. The improved collaboration and Housing First requirement will ensure that Ontarians are not being discharged into homelessness, shelters, or precarious housing.
- Changes in programs and policies in ministries that may have a direct effect on local housing needs and outcomes should be directly reported to local housing Service Managers/CMSMs/DSSABs prior to the development of any changes. This includes changes to institutional housing programs (i.e. bed divestitures and capital and operating programs related to housing, such as mental health housing supplements and changes to income security programs like the Ontario Disability Support Program (ODSP) and Ontario Works (OW) housing rates).
- CMSMs and DSSABs have Service Manager roles in the delivery of housing and homelessness programs, child care, and Ontario Works. Information sharing provisions in the relevant legislation should be amended to support a more coordinated approach to strategic planning and program delivery.
- Create cross ministerial policies on the reuse of surplus grey fields, blue fields or other government lands for the advancement of local official plans and housing plans. Land contributions could include land transfer, low-cost leasing, or co-location of housing with other provincial services on site.
- Align the Planning Act, Places to Grow Act and Provincial Policy Statement with HSA and LTAHS to support land use and housing policy goals with respect to affordable housing. The definition of affordable housing needs to better reflect the depth of poverty experienced by low income households and the role of the Service Manager establishing and implementing its Housing and Homelessness Plans needs to be explicitly recognized.

17. *Convene formal tables that focus on housing and homelessness at both provincial and local levels.*

We recommend the establishment of formal tables dedicated to coordinate and oversee housing strategies within the context of Housing and Homelessness Plans and poverty reduction, while encouraging communication and engagement with different stakeholders (orders of government, community organizations, private sector, etc.).

At the local level, partnership tables would focus on aligning, coordinating and streamlining the local service system with CMSMs and DSSABs leading the efforts in their service system management role. As the government plays a critical role in the

future of housing and homelessness prevention in Ontario, the participation of Provincial partners at local level partnership tables should be required.

In Ottawa, the Housing System Working Group (established 2011) consists of representatives from the private sector, social housing providers, shelters, mental health and community health organizations, LHIN, and advocacy groups. This table has guided funding designated for the housing system and the development and implementation of the 10 year Housing and Homelessness Plan.

At the provincial level it is recommended an interministerial table be established with OMSSA, CMSMs and DSSABs as partners, focused on developing a coordinated and integrated approach to funding, policy and programming, and the development and sustainability of affordable and social housing.

18. *Increase coordination of provincial housing and homelessness programs and explore further program consolidation over the long term.*

The Provincial-Municipal Fiscal Service Delivery Review (PMFSDR) agreement (2008) consolidated five programs into the Community Homelessness Prevention Initiative (CHPI). The consolidation reduced administrative complexities for CMSMs and DSSABs and partner agencies and created greater local flexibility in managing the housing system in locally appropriate ways. It is recommended that further evaluation be done regarding streamlining housing and homelessness programs, in addition to looking at future consolidation opportunities that would be benefit housing programs and Ontarians.

The PMFSDR also committed to moving forward on integrated community human services plans and accountability frameworks. The wisdom behind moving in this streamlined direction makes sense today and should be revisited from both a provincial and local perspective.

19. *Create more supportive housing units to meet demand that are integrated into the existing housing and homelessness service system.*

Supportive housing is an important source of affordable housing for a segment of the population requiring services in order to remain successfully housed. Strategic investments in housing and homelessness prevention programs will produce savings in other areas of Provincial, CMSM and DSSAB jurisdiction. Investments for supportive housing for seniors, for example, may produce savings to hospitals, long-term care homes, and other health care services. In addition, stable, supportive housing provides the opportunity for social, economic and community inclusion for individuals and families previously trapped in the cycle of homelessness and poverty.

20. *Create policies at a federal and provincial level that encourages and promotes the development of affordable rental housing.*

Greater authority under a more flexible federal and provincial legislative framework is necessary so that CMSMs and DSSABs can make the most appropriate decisions on

the future of affordable housing in their communities, including taking advantage of opportunities associated with redevelopment and regeneration of neighborhoods.

Some of the challenges CMSMs and DSSABs face in tapping into resources and partnerships at the local level are because of historical legislative or regulatory barriers. This includes existing legacy programs and local social housing portfolios programs under the *Social Housing Agreement* which continue to limit local flexibility and decision making to address local needs.

OMSSA appreciates that some of the barriers sit with other orders of government.

If we look forward to a new regulatory environment including, for example, the creation of a federal tax incentive to remove barriers to new affordable and market-rental housing, the possibility for reaching more households in need will increase.

21. *The Province assist low-income residents through sustainable increased funding for rent supplements, housing allowances, and/or other shelter benefits.*

### ***Building on Innovation, Growing Current Efforts***

CMSMs and DSSABs are on the ground in their communities and are the experts working with their residents. Innovative thinking and solutions at a local level, such as CMSMs and DSSABs leveraging development charges to subsidize rents, are beneficial when addressing housing and homelessness. With the support of the Province, we can continue to be strategic when implementing interventions.

To move the housing system forward by leveraging local developers and other partners, what CMSMs and DSSABs need from the provincial government is support for inventive pilot programs, collaborations, and new strategies.

Recommendations include:

22. *Support locally funded housing allowances and rent subsidy programs that do not currently contribute to the fulfillment of provincially prescribed service level standards.*
23. *Create a dedicated funding stream for innovative pilot projects to encourage launching of innovative local housing solutions.*

This would not only assist with housing challenges across the province, it would give the government an opportunity to demonstrate leadership while encouraging research, evaluation and the showcasing of unique initiatives.

24. *Refine the definition of supportive housing and evaluate its impacts to the larger housing sector.*

25. *Where possible, develop supports that are portable, rather than having supports connected to a specific unit or housing project.*
26. *Invest in capacity building for all Service Managers who must develop a skill set that, until now, was not required in program delivery (i.e. innovative financing, property development, strategic planning, etc.)*

27. *Remove the barriers to leveraging current assets by opening mortgages and debentures.*

28. *Eliminate program funding restrictions, such as the “use it or lose it” restriction.*

Follow the examples of British Columbia and Alberta where federal and provincial funds can be carried over fiscal periods in order to develop sufficient scale to cover construction costs for housing.

29. *Coordinate funding of a feasibility study into a Canadian Housing Bank to support social housing regeneration, as purposed by the Housing Services Corporation (HSC).*

30. *Revise the assessment act and Municipal Property Assessment Corporation (MPAC) processes that support predictable and sustainable taxation and valuation practices for all social and affordable housing.*

This would include units integrated into private market developments, exploration of best practices globally that attract and retain Ontario investments into affordable housing through publically accessible funds, bonds and other instruments. In addition to incentives to large Ontario based publically funded investment funds such as Infrastructure Ontario, Teachers and Health pensions, and municipal/provincial employee pensions.

31. *Review the impact of rent scales and RGI on CMSMs and DSSABs.*

Instead of using the shelter entitlement for households in receipt of OW or ODSP, the HSA imposes a requirement to use rent scales. This lowers the amount that the household pays as rent and increases the amount the CMSMs and DSSABs contributes as the RGI subsidy.

Costs will continue to increase every year as the amounts to operate social housing climb while social housing rent scales stay the same. If the percentage of RGI tenants in social housing who are OW clients increase, municipal costs will increase further. The cost impact has been estimated to be \$200 million annually. In 2014 it was estimated that what this amounts to over 15 years, or, since devolution, is \$3 billion to the property tax base.

32. *Adjust utility scales to current costs.*

At present, utility scales do not reflect the reality of energy costs. In some households, utilities are higher than RGI and residents must seek assistance to pay their utility arrears. Utilities allowance scales should be revised and indexed.

33. *Invest in creating eco-friendly, energy efficient housing.*

As part of its climate change mitigation efforts, it is imperative that the government consider ways to create more energy efficient housing projects. This effort will increase energy efficiencies that will save money in the housing system over the long-term. It is recommended that the government consider an energy efficiency retrofit program for social housing.

34. *Review the Special Priority Policy (SPP) for victims of domestic violence for RGI assistance and create a dedicated Housing Allowance program with new provincial funding and support services to provide more effective and timely assistance.*

Currently, victims of domestic violence receive priority on social housing waiting lists. In Ottawa, approximately 37% of those housed in any one year are selected from the SPP priority. This group makes up 3% of total households on the wait list. This system has not demonstrated to be an effective way to provide rapid housing to victims or to alleviate housing challenges for the greater population. In York Region, the demand for SPP housing significantly exceeds the supply. In 2014, the average SPP households in York Region waited 15 months to be housed.

The government must commit to a focused strategy for victims of domestic violence. The social housing system is not an appropriate remedy for this complex and difficult issue. The current approach is detrimental, not only to victims of domestic violence, but all others accessing and waiting for social housing.

It is recommended that as a first step, the government create a dedicated Housing Allowance program with new provincial funding to more effectively address the needs of victims of violence. In addition, engage agencies in consultations that are working with victims of domestic violence to evaluate the SPP effectiveness and how the housing system can increase victims' safety and prevent domestic homicide.

35. *Develop a sector-wide coordinated data approach.*

More robust housing and homelessness data across the province will permit better planning at all levels of government and will allow benchmarking. The data collection process must be assessed to ensure it is streamlined for Service Managers, and will not place an excessive administrative burden on CMSMs and DSSABs.

36. *Provide provincial funding and policy support to facilitate greater economies of scale across the housing sector.*

This can be done by supporting and building upon innovative inter-jurisdictional Service Manager initiatives, such as the Housing Collaborative Initiative.

## **Conclusion**

It is acknowledged that the provincial government and CMSMs and DSSABs are committed and working hard to address the concern of access to affordable housing in communities across Ontario.

It is time to move to a simpler, more responsive design and approach that puts greater ability, trust and accountability into the hands of CMSMs and DSSABs to work in and with their communities.

Moving to an integrated, coordinated and streamlined approach makes sense. Engaging, OMSSA, CMSMs and DSSABs on a whole of government approach that includes attracting the private sector on how best to do this will further enhance the provincial-municipal partnership and our shared goals on improving affordable housing availability across the province.

We look forward to achieving the vision of greater access to affordable housing, stronger communities and greater opportunities for Ontarians and believe that the recommendations above are a cornerstone to doing so.