



Achievements and Future Outlook on Affordable Housing

*Ontario East Municipal
Conference 2008*

Housing Division
Ministry of Municipal Affairs and Housing
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Canada-Ontario Affordable Housing Agreement, 2002

- Signed on May 30, 2002 between the federal government and the previous provincial government.
- Under this Agreement:
 - The average federal funding per rental unit (across the province) was \$20,775.
 - The average municipal contribution was \$23,000 per unit.
 - The provincial funding average ranged from \$2,000 to \$4,000 per unit.
- AHP projects built under this Agreement are known as the AHP Pilot Projects.
- Rent levels for the Pilot phase are required to be at or below Canada Mortgage and Housing Corporation (CMHC) Average Market Rent (AMR).

Canada-Ontario Affordable Housing Agreement, 2005

- Signed on April 29, 2005 between federal and provincial governments, the Agreement brought the total amount invested in affordable housing in Ontario by the federal, provincial and municipal governments to at least \$734 million over the life of the program.
- The Agreement, referred to as the new AHP, is comprised of 4 components:
 - Rental and supportive (R&S);
 - Homeownership;
 - Northern; and
 - Housing Allowances.
- Significant enhancements under the new AHP:
 - Introduction of 20-year monthly affordability payment for R&S projects to ensure that projects remain affordable throughout life of the AHP.
 - Increase of Provincial contribution for R&S projects to 62% from 14% under original AHP Agreement.
 - Allocation of 1,200 supportive capital units for victims of domestic violence, persons living with mental illness, and persons with dual diagnosis.
 - Allocation of 500 housing allowances for victims of domestic violence.
 - Deeper level of affordability - Average project rent must be at or below 80% CMHC Average Market Rent
- Initial Funding and Unit allocations to Service Managers were made on August 31, 2005.

Rental and Supportive Housing

- Allocation of 9,972 units and \$498.39 M to service managers across the province.
 - 1,043 of 1,200 supportive units committed to date.
- Increases supply of rental housing for households on or eligible to be on social housing waiting lists.

PROGRAM FEATURES:

- Reduces capital costs for rental and supportive housing so landlords can charge affordable rents.
- Units to be developed through:
 - new construction
 - acquisition and conversion
 - additions and renovations to existing stock
- Combined federal and provincial contribution averages \$70,000 per unit.

Homeownership

- Allocation of 3,236 units and \$32.310 M to service managers, with an additional 539 units and \$5.286M in the provincial reserve.
- Eases the demand for rental housing by assisting qualified households to purchase affordable homes.

PROGRAM FEATURES:

- Service Managers may vary levels of down payment assistance provided to eligible purchasers provide they do not exceed an average of 10% within the funding allocation.
- Units must be at or below the maximum affordable house price.
- Service managers are responsible for client/unit selection and approvals for their allocations.
- Provincial delivery agent conducts client/unit selection, and province responsible for client/unit approvals, for reserve units

Northern Housing

- Allocation of 992 units and \$21.55 M to northern service managers, with an additional 574 units and \$10.61M under provincial direct delivery.
 - Partnership with Frontiers Foundation, Man Tech Services and Ontario Aboriginal Housing Support Services Corporation for delivery of provincial units.
- Encourages the repair of modest and affordable rental or owned housing in Northern Ontario.

PROGRAM FEATURES:

- \$20,000 average combined federal/provincial funding.
- Maximum \$50,000 per unit.
- Units must be at or below average market rent or selling price and must remain affordable for 20 years.

Housing Allowance/Rent Supplement (HARS)

- Original allocation of \$80 million to create up to 5,000 housing allowance units was made under the Canada-Ontario AHP Agreement, 2005.
- Current allocation is 3,607 units and \$57.05 M to service managers for up to 5 years.
- Creates affordable rental housing in markets with high vacancy rates.

PROGRAM FEATURES:

- 10% of allocation dedicated to victims of domestic violence.
- Monthly housing allowances range from \$20 - \$350 per household.
- Units occupied by applicant households (i.e., in-situ arrangements) not eligible.

AHP Targets and Progress

(As of July 31, 2008)

Component	Original Unit Targets	Total Forecast Units	Progress to Date
Rental & Supportive Housing	9,000 units	10,099 units	9,440 units approved 4,318 occupied 1,789 under construction 3,333 in planning approvals
Homeownership	4,500 units	3,775 units	1,366 units approved 1,108 occupied 108 with Purchase & Sales Agreement 150 under selection/planning
Northern Housing	1,500 units	1,566 units	968 units approved 627 occupied 82 under repairs 259 under client selection
Housing Allowance/ Rent Supplement	5,000 units	3,721 units	3,721 with landlord agreements – of which 3,152 units occupied
TOTAL	20,000 units	19,161 units*	15,495 units approved

*Expectation that AHP will achieve overall target due to service managers delivering more units within available funding.

Next Steps...

- AHP is to be complete by March 31, 2010.
- For Rental and Supportive, targeting March 31, 2010 to have all projects under construction.
- For Homeownership, all units committed with purchase and sale agreements by March 31, 2009.
- For Northern, everything to be completed by March 31, 2010.
- The sooner we have fully utilized the available federal funding under the AHP, the stronger position we will be in to get our federal partner back at the table and as a lead-in to a long-term affordable housing strategy.