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# **Long-Term Affordable Housing Strategy:**

Ontario East Municipal Conference  
September 14, 2011

# Context

- In 2008 the consensus report of the Provincial-Municipal Fiscal and Services Delivery Review observed that the province and municipalities would achieve better results for people by working together to build locally managed housing services.
- Consultations on the development of a strategy
  - 13 public consultation sessions held across the province
  - 7 specialized roundtables with municipal partners and key stakeholders
- Technical working groups with municipal partners and key stakeholders that developed detailed policy recommendations
- November 29, 2010 - Launch of the Long-Term Affordable Housing Strategy and introduction of Bill 140, *Strong Communities through Affordable Housing Act* (which includes the *Housing Services Act, 2011*)
- Bill received Royal Assent on May 4, 2011
- *Housing Services Act, 2011* proclaimed effective January 1, 2012

# Vision and Principles of Strategy

## **Vision:**

To improve Ontarians' access to adequate, suitable and affordable housing, and provide a solid foundation on which to secure employment, raise families and build strong communities.

## **Principles:**

- People-Centred
- Partnership-Based
- Locally Driven
- Supportive
- Inclusive
- Fiscally responsible

# Key Elements of the Strategy

- Roles, Local Plans and Accountability
- Program Consolidation
- *Strong Communities through Affordable Housing Act, 2011*
  - *Housing Services Act, 2011*
  - Amendments to the *Planning Act*
  - Amendments to the *Residential Tenancies Act, 2006*
- Engage federal government
- Promote energy efficiency in the sector

# Establishing Clear Roles

New legislation will establish clear roles and responsibilities and define a new partnership between the province and municipalities:

## **Province as System Steward**

- Set overall vision and provincial interests for housing in Ontario
- Set the legislative and policy framework
- Identify common desired outcomes and report on their achievement
- Assist in achievement of desired outcomes through broad, outcome-based (consolidated) program funding
- Engage with the federal government to establish national directions and negotiate federal contributions

## **Municipalities as System Service Managers**

- Set local vision for housing, reflecting the provincial interest
- Provide local leadership in research and analysis of local housing and homelessness systems
- Develop and implement strategies to address housing need and to produce desired housing outcomes
- Contribute to and coordinate housing funding
- Administer housing and homelessness programs, coordinating with other programs and services
- Report on progress in addressing needs/producing outcomes

# Local Housing and Homelessness Plans

- Provincial interests set out in legislation
- Additional direction on provincial interests in the Ontario Housing Policy Statement
- New legislation will require Service Managers (SMs) to undertake comprehensive local planning for housing and homelessness, identifying needs and establishing priorities in their SM areas:
  - 10 year planning horizon, renewed at least every five years
  - Province will have the opportunity to comment on plans before they are finalized
  - Plans are approved by Service Managers
  - First plans approved by January 1, 2014

# Performance Measures and Reporting

- Four common measures of progress:
  - Ontario Housing Measure (existing measure)
  - Rental Affordability Index (existing measure)
  - Service Manager metrics along the housing continuum (new measure)
  - Social Housing Tenant Satisfaction Survey (new measure)
- Service Managers will be required to report to their local community annually on progress in housing, including on provincially-established metrics, as well as other metrics that reflect local priorities/needs
- Province will report annually on provincial outcomes and progress
- More work will be done on performance measures

# Program Consolidation

- Today there are more than 20 provincial housing and homelessness programs in Ontario
- Phase One Program Consolidation will begin with five homelessness-related programs:
  - Consolidated Homelessness Prevention Program
  - Emergency Energy Fund
  - Emergency Hostels
  - Domiciliary Hostels
  - Rent Bank
- Program consolidation will allow municipalities to use funding in a more flexible manner, reflective of local need
- The province and Service Managers to explore future phases of program consolidation and/or harmonization
- Work will continue toward January 2013 implementation date

# ***Housing Services Act, 2011 (HSA)***

- The current *Social Housing Reform Act (SHRA)* does not provide an overarching enabling framework for affordable and social housing – limited to social housing
- The *Housing Services Act, 2011* will be proclaimed on January 1, 2012
- The *Housing Services Act, 2011*:
  - Provides for a provincial role
  - Sets out a high level provincial interest
  - Clarifies the Service Manager role
  - Provides for effective delivery of community-based programs
  - Requires municipalities to develop local housing and homelessness plans
- Replaces/reforms the *Social Housing Reform Act, 2000*, including reforms to:
  - Ministerial Consents
  - RGI Calculation
  - Waiting List
  - Asset-Creation
  - Social Housing Review Process

# ***Housing Services Act, 2011***

## **Ministerial Consents**

Currently:

- Service Managers must seek provincial approval for a range of social housing decisions - consent requirements are considered cumbersome
- Requirement does not reflect Service Manager experience and expertise

Under HSA:

- Will grant or confer authority for many Consent approvals on Service Managers, enabling Service Managers to be the decision-makers.
- Province will retain, through regulation, the authority to re-instate the requirement for consents for specific actions

## **RGI Calculation**

Currently:

- Process is overly complex (recalculating rent every time income changes)
- Administrative burden for tenants, providers and Service Managers

Under HSA:

- Move toward a simplified annual calculation of geared-to-income rent that reduces or streamlines the more than 60 income and asset exclusions currently used to determine household income
- Move toward an income-tax based system for determining income and establishing rent

# ***Housing Services Act, 2011***

## **Waiting Lists**

Currently:

- Social housing tenants have minimal involvement in the selection process for social housing units, due to a cumbersome, paper-driven process
- Applicants cannot transfer from one Service Manager wait list to another

Under HSA:

- Includes provisions to clarify flexibility for Service Managers to adopt alternatives to the current chronologically-based system
- Will facilitate tenant exchanges across Service Manager areas

## **Asset-Creation for Social Housing Tenants**

Currently:

- RGI tenants face a disincentive to employment and education, as any additional income is clawed back through a corresponding increase in rents

Under HSA:

- HSA and associated regulations establishes general authority for Service Managers and DSSABs to develop and administer asset building programs and exempts account holdings from the RGI rent calculation.
- Housing Services Corporation and Social Enterprise Development & Innovations will work with select Service Managers to launch a pilot program

# ***Housing Services Act, 2011***

## **Social Housing Review Process**

Currently:

- The review process regarding social housing eligibility and rent-geared-to-income (RGI) calculation decisions for tenants is criticized as not being transparent and not arms length

Under HSA:

- The HSA and associated regulations require a degree of independence in decision-making

## **Non-Profit Governance**

Currently:

- Some non-profit and co-op housing providers face financial difficulties
- Service Managers have the ability to move quickly to receivership as a remedy without exercising a range of progressive steps to assist boards

Under HSA:

- More procedural fairness has been introduced which will allow service providers an opportunity to resolve disputes and to rectify operational problems before a decision is taken to exercise a remedy.
- Housing providers will be required to develop Board and staff renewal plans

# Amendments to the *Planning Act*

## Second Units

Currently:

- Municipalities can choose (but are not required) to establish second unit policies for singles, semi and row houses

Amendments will:

- Require municipalities to establish policies allowing second units in new and existing developments
- Expand affordable housing opportunities for lower and moderate income households, for elderly parents or live-in caregivers and provide additional income for homeowners

## Other Planning Initiatives

Amendments:

- Extend timeline that garden suites can be initially permitted
- Add a reference to “affordable housing” in matters of provincial interest *in the Planning Act*

# Amendments to the *Residential Tenancies Act, 2006*

## Currently:

- Generally, the Landlord and Tenant Board (LTB) in Ontario is operating well to resolve disputes between landlords and tenants
- However, some process issues are impeding effective and efficient management of disputes

## Amendments will:

- Allow certain non-contentious adjudicative duties to be carried out by LTB staff rather than LTB members

# Promote Energy Efficiency

## Current state:

- Rising energy costs and outdated social housing buildings are key cost factors in operating and managing the social housing portfolio
- In addition, there is very little research on energy efficiency in multi-residential buildings, resulting in limited incentive to implement efficiency measures

## Under the Strategy:

- Ministry staff will work with Infrastructure Ontario (IO) to promote a loan initiative for energy efficiency for social housing providers
- The Ministry will also undertake research on energy efficiency in multi-residential buildings

# Legislative Process

- Bill introduced on November 29, 2010
- Second reading
- Standing Committee on Justice Policy:
  - Public Hearing Dates: Thursday March 24 and Thursday, March 31
  - Clause-by-clause review
- Third reading – passed with all party support on April 19
- Royal Assent on May 4, 2011
- Regulations filed August 10, 2011
- Ontario Housing Policy Statement released August 11, 2011
- Proclamation effective January 1, 2012

# Thank you

- Questions?
- For more information visit: [Ontario.ca/HousingStrategy](http://Ontario.ca/HousingStrategy)
- Or email: [HousingStrategy.mah@ontario.ca](mailto:HousingStrategy.mah@ontario.ca)