



Official Submission:
National Housing Strategy

October 2016

Submitted & Prepared by:

! **POVERTY**
GUELPH & WELLINGTON TASK FORCE FOR
ELIMINATION

Introduction

The Guelph & Wellington Task Force for Poverty Elimination works collaboratively, informed by diverse voices of experience, to support local action and advocate for system and policy change that address the root causes of poverty. The Poverty Task Force (PTF) recognizes that affordable housing and homelessness are critical priorities, both locally and nationally, and believes that everyone should be able to find and maintain an appropriate, safe and affordable place to call home.¹ Meeting this outcome requires the Government of Canada to work in partnership with the provinces and territories to develop a comprehensive National Housing Strategy (NHS) that includes ambitious, time-bound goals that are concrete and measurable.

To help shape the NHS, the PTF engaged with local stakeholders to identify key housing and homelessness issues within the Guelph-Wellington community. Rather than discuss particular programs and policies for the NHS, we have chosen to discuss the principles we consider essential in the development of the strategy. It is our hope that this submission will be reviewed and considered by Minister Jean-Yves Duclos and the National Housing Strategy Team as a significant part of the consultation process that will inform the NHS.

Principles

End Homelessness

The NHS cannot just deal with housing. Homelessness is a serious problem across the country and is an unfortunate part of the housing spectrum. Housing First programs, supportive housing and other innovative solutions are required to solve this problem.

In 2016, 295 individuals were found to be experiencing homeless in Guelph-Wellington during a three-day period (April 25th – April 27th).² During this point-in-time count, the VI-SPDAT was used to help determine the best type of support and housing intervention for an individual by providing a score based on overall vulnerability and acuity (depth of need). Among adults, 57% scored high (permanent supportive housing needed), 38% scored medium (recommended for rapid re-housing) and only 7%

¹ Guelph & Wellington Task Force for Poverty Elimination (2014). *Strategic Plan: 2014 – 2017*. Guelph & Wellington Task Force for Poverty Elimination. Retrieved online: <http://www.gwpoverity.ca/wp-content/uploads/2014/01/2014-Strategic-Plan1.pdf>

² Ellery, R. (2016). Guelph-Wellington Registry Week 2016. Guelph, ON: Guelph & Wellington Task Force for Poverty Elimination; 2016. Retrieved online: <http://www.gw20khomes.ca/wp-content/uploads/2016/07/Guelph-Wellington-Registry-Week-2016.pdf>

scored low (no housing intervention or case management needed) . Among youth, 66% scored high, 34% scored medium; none scored low.³

The NHS must link housing for those exiting homelessness with the adequate and appropriate supports required to remain stably housed and integrated into community. Homelessness costs the country greatly through health care, judicial and other system costs. More importantly it personally costs those who experience homelessness in life expectancy and quality of life. To properly tackle this issue, homelessness and housing should be under the same federal ministry.

Continue to maintain and support the existing social housing units in Canada

Canada has an inventory of 600,000 social housing units. Social Housing Providers are facing financial stress as the federal operating agreements expire. Some housing is being lost as affordable units; other units are receiving support from other levels of government to continue. Many need substantial repair and refurbishment.

Locally, there are 2,278 Rent-Geared-to-Income (RGI) units in Guelph and Wellington County.⁴ With an average wait of 2.1 years on the County's Centralized Waiting List⁵, the supply struggles to meet demand. The first of six federal operating agreements between the County of Wellington and the Government of Canada expired in July 2016, with the remainder set to do so over the next few years. The end of these agreements could result in a loss of RGI units, reducing the supply of affordable housing options.

The federal government needs to ensure we maintain this valuable resource. Funds for both deferred maintenance and ongoing operating subsidies need to be built into the NHS to keep this valuable resource from disappearing over time. New federal provincial agreements with these housing providers, along with appropriate funding, should be pursued. The NHS should also build capacity in the non-profit housing development and management sector to deepen financial sustainability, improve asset management skills and allow for renewal of non-profit housing.

³ Ellery, R. (2016). Guelph-Wellington Registry Week 2016. Guelph, ON: Guelph & Wellington Task Force for Poverty Elimination; 2016. Retrieved online: <http://www.gw20khomes.ca/wp-content/uploads/2016/07/Guelph-Wellington-Registry-Week-2016.pdf>

⁴ County of Wellington (n.d.). *Wellington County Owned Housing*. County of Wellington. Retrieved online: <http://www.wellington.ca/en/socialservices/wellingtoncountyownedhousing.asp>

⁵ County of Wellington (2016). *Housing Services Status and Activity Report*. County of Wellington Social Services September 2016 Agenda. Retrieved online: <http://www.wellington.ca/en/government/councilandstandingcommittees.asp>

Increase construction and support operation of new affordable rental housing.

Many cities in Canada have vacancy rates less than the 3% considered essential to a balanced market. There has been little construction of purpose-built affordable rental housing in many centres for several decades.

Over the past years, Guelph has consistently had one of the lowest vacancy rates in Canada and currently sits at 1.1%.⁶ A recent report from the Canada Mortgage and Housing Corporation notes that, “despite the slightly rising vacancy rates, Guelph will continue to have one of the tightest rental markets in Ontario.”⁷

A 2015 report from the City of Guelph noted that 217 purpose-built rental units were constructed from 2009 to 2013. Only one-third of the units are affordable, all of which are for seniors.⁸ As a result, the City of Guelph was unable to meet its overall Official Plan target of 3% new construction to be affordable rental, except in 2012.⁹

The NHS needs to find a way to encourage production of new purpose built rental units, particularly in areas where the vacancy rate is very low. The background report to the 2014 State of Homelessness in Canada Report makes several concrete suggestions for programs that would encourage the production of affordable and market rental stock; we recommend it be reviewed as part of the input to the NHS.¹⁰

Local flexibility

Different areas of the country have very different housing realities. Local governments and service agencies have the best knowledge to deal with housing realities in their area. Funding regulations for future housing programs need to be flexible enough to allow for different solutions in different parts of the country. Reporting requirements for funding received need to be reasonable and linked to the amount of funds received.

The Province of Ontario’s Community Homelessness Prevention Initiative (CHPI) is a good example of

⁶ Canada Mortgage and Housing Corporation (Spring 2016). *Housing Market Outlook: Kitchener-Cambridge-Waterloo and Guelph CMAs*. Canada Mortgage and Housing Corporation. Retrieved from: https://www.cmhc-schl.gc.ca/odpub/esub/64323/64323_2016_B01.pdf?lang=en

⁷ Canada Mortgage and Housing Corporation (Spring 2016). *Housing Market Outlook: Kitchener-Cambridge-Waterloo and Guelph CMAs*. Canada Mortgage and Housing Corporation. Retrieved from: https://www.cmhc-schl.gc.ca/odpub/esub/64323/64323_2016_B01.pdf?lang=en

⁸ City of Guelph (2015). *Affordable Housing Strategy: The Current State of Housing in the City of Guelph*. City of Guelph. Retrieved online: http://guelph.ca/wp-content/uploads/100615_AHS_State_of_Housing_ATTACHMENT_2_FINAL.pdf

⁹ City of Guelph (2015). *Affordable Housing Strategy: The Current State of Housing in the City of Guelph*. City of Guelph. Retrieved online: http://guelph.ca/wp-content/uploads/100615_AHS_State_of_Housing_ATTACHMENT_2_FINAL.pdf

¹⁰ Londerville, J. and Steele, M., (2014) Housing Policy Targeting Homelessness, Background report to the 2014 State of Homelessness in Canada Report for CAEH, <http://homelesshub.ca/sites/default/files/SOHC2014-Backgrounder.pdf>

how government funding can support local flexibility. Under CHPI, the province has outlined two provincial program outcomes and four service categories, but how Service Managers allocate funds within that framework is locally-driven, based on local relevancy and peoples' needs.¹¹

Coordinate among federal government departments that affect housing markets

Canada Mortgage and Housing Corporation has primary responsibility for housing programs and presumably will be tasked with implementing the NHS. However, many other federal departments affect housing markets. For example, changing income tax regulations could make the construction of rental housing much more attractive to developers and investors. There needs to be a mechanism to engage these departments in the development of the NHS to use the full resources of the federal government to address the complex issues of affordable housing in Canada. There also needs to be ongoing monitoring and coordination among these departments when changes are made to assess the impact on housing markets.

As well, the housing problem for certain populations is an affordability/income problem. A new National Low Income Housing Benefit could assist those households who cannot access appropriate housing as a result of their income level. A pilot version of this was recently introduced in Ontario; this needs to be evaluated to ensure it is flexible enough to allow tenants to find housing in very tight markets and further enhanced and rolled out across the country.

Develop plans for consistent annual funding for housing programs, indexed to inflation

Housing program funding currently comes in spurts, as is often the case with extensions to the Investment in Affordable (IAH) program. It is nearly always announced late but with the caveat that all funds for the current year must be spent in that year. Local decisions makers are encouraged to find "shovel ready" projects. This works poorly for several reasons:

- The cost of land makes it prohibitive to buy land and bank it for the time when funding is announced
- In the urban context, affordable land often needs environmental clean-up, planning approvals, etc. all of which take time and resources.
- Under Federal/Provincial capital funding programs, the first installment of funding is not released until a building permit is issued. Groups without their own land/funds are challenged to have anything "shovel-ready"

As a result, this approach does not necessarily lead to the development of the most needed housing at the local level. The NHS needs to include a plan for predictable, stable funding flow to allow local

¹¹ Government of Ontario (2012). Community Homelessness Prevention Initiative (CHPI). Retrieved online: <http://www.mah.gov.on.ca/AssetFactory.aspx?did=10065>

decision makers to anticipate and build solutions. Knowledge of consistent funding over a longer time period would allow for better decision making and planning at the local level.

For example, the City of Guelph is currently working with a group planning to develop a community of mixed market, affordable home ownership and supportive rental housing on a City owned site. Knowing the amount and timing of funding for affordable housing would allow the group to plan the phasing of the development, particularly the affordable portions of it.

Develop clear transparent criteria for disbursing housing program funds to communities in need

Criteria for how funding is allocated to communities is currently not clear. Some measures, such as vacancy rates, levels of core housing need, shelter usage etc. should be used to inform the allocation levels to different areas of the country and these should be transparent to all.

A good example of this is the Investment in Affordable Housing (IAH) program. Funding allocations are based on the Service Manager's share of households and the number of households in core housing need, equally weighted. This is clearly outlined in the Investment of Affordable Housing in Ontario Program Guidelines.¹²

Conclusion

The Poverty Task Force believes that engaging stakeholders in local communities is a critical element of any consultation process. We are pleased to have the opportunity to provide insights and recommendations to Minister Duclos and the National Housing Strategy Team on behalf of Guelph-Wellington. We look forward to seeing the results of what Canadians have shared during the consultation on November 22nd, 2016 and anticipate future opportunities to provide more in-depth recommendations and feedback moving forward.

¹² Government of Ontario (2014). *Investment in Affordable Housing for Ontario (2014 Extension) Program Guidelines*. Retrieve online: <http://www.mah.gov.on.ca/AssetFactory.aspx?did=12338>

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About the Guelph & Wellington Task Force for Poverty Elimination:

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