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# Long-Term Affordable Housing Strategy Update

*Northern Ontario Service Deliverers Association*

*Annual General Meeting*

June 8-9, 2016

## Context

- The 2014-2019 Poverty Reduction Strategy (PRS), *Realizing Our Potential*, committed the government to update the province's Long-Term Affordable Housing Strategy (LTAHS) to reflect lessons learned and new research on best practices related to housing and homelessness
- The PRS also committed the government to a long-term goal of ending homelessness in Ontario and to seek expert advice, including from those with lived experience, on: defining the problem; developing new measures to collect and track data; and, defining a baseline and setting a new homelessness-related target
- In October 2015, the report of the Expert Advisory Panel on Homelessness was released and in response, Ontario committed to immediate and longer-term actions
- On March 14, 2016, the government released the update to the Long-Term Affordable Housing Strategy
- As part of the LTAHS Update, on May 18, 2016, the government introduced Bill 204, the *Promoting Affordable Housing Act, 2016*

# LTAHS Update – Vision

The strategy is based on an **updated vision**:

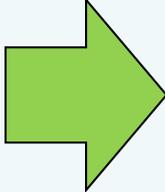
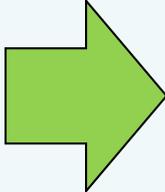
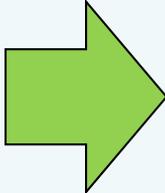


# LTAHS Update – Outcomes

- This vision is associated with **two overarching outcomes**:
  - Decreased number of people who are homeless
  - Increased number of households achieving housing stability
- Achieving these outcomes can potentially impact a range of **associated outcomes**, including long-term cost avoidance in other sectors such as:
  - Decreased inappropriate use of emergency health care services
  - Decreased use of policing and correctional services
  - Increased employment
  - Increased education outcomes



# Housing and Homelessness System Transformation

Current System		Transformed System
<p>Inadequate supply of affordable housing in many communities with financially unsustainable not-for-profit, co-operative and municipal housing stock</p>		<p>A range of adequate and affordable housing options, provided by the private, not-for-profit, co-operative and municipal sectors</p>
<p>Social housing wait list system that operates separately from parallel systems providing access to other forms of housing assistance</p>		<p>Coordinated system so that people can access the assistance they need (both financial and non-financial) to achieve housing stability</p>
<p>Range of financial assistance – from a limited number of highly-responsive Rent-Geared-to-Income (RGI) subsidies (tied to physical unit), to rent supplement programs and housing allowances</p>		<p>People with housing need can equitably access financial assistance that is responsive to their changing needs, is portable so that it moves with them, and encourages economic and social inclusion</p>
<p>Various supportive housing programs managed separately by different ministries, with different (and sometimes uncoordinated) access systems</p>		<p>People are able to access appropriate housing and support services that best meet their needs</p>
<p>An emergency shelter system in transition to support stable housing options for people</p>		<p>Emergency shelters and homeless service-system provides responsive, culturally appropriate services to assist people to become stably housed</p>

# LTAHS Update Themes

Theme	Description
<b>1. Appropriate and Sustainable Supply of Housing</b>	<p><u>A. More Affordable Market Housing</u></p> <ul style="list-style-type: none"><li>• Enhance/expand land use planning and municipal finance tools to support the development of affordable housing</li><li>• Support small landlords through legislative changes</li></ul> <p><u>B. Vibrant Non-Profit and Co-operative Sector</u></p> <ul style="list-style-type: none"><li>• Promote a vibrant non-profit and co-operative sector that operates on more business-like principles, while maintaining its social purpose and increasing supply wherever possible</li><li>• Disentangle the provision of social programs (municipal responsibility) from the provision of the physical asset (provider responsibility)</li></ul>
<b>2. Equitable, Portable System of Financial Assistance</b>	<p><u>A. Framework for a Portable Housing Benefit</u></p> <ul style="list-style-type: none"><li>• Develop a provincial framework for an income-based benefit that would form a best practice going forward for new investments, and shift current forms of financial assistance to the new standard as appropriate over time</li></ul> <p><u>B. Simplified Rent-Geared-to-Income (RGI) Calculations</u></p> <ul style="list-style-type: none"><li>• Meanwhile, streamline and simplify the calculation of RGI subsidies and administration by establishing new rules for in-year income changes and increased flexibility for Service Managers in calculating income</li></ul>

# LTAHS Update Themes Cont'd

Theme	Description
<b>3. People-Centred, Efficient Housing Programs</b>	<p><u>A. Modernized Social Housing Programs</u></p> <ul style="list-style-type: none"> <li>• Articulate key elements for social housing programs in the future</li> <li>• Undertake some immediate reforms to support modernization</li> <li>• Commit to a process to define the path forward</li> </ul> <p><u>B. Coordinated Access System</u></p> <ul style="list-style-type: none"> <li>• Move towards a more coordinated, effective system that better matches people with housing needs to an appropriate form of assistance</li> </ul> <p><u>C. Transformation of Supportive Housing System</u></p> <ul style="list-style-type: none"> <li>• Commit to working with sector stakeholders to transform the supportive housing system, guided by a Supportive Housing Policy Framework</li> </ul>
<b>4. Indigenous Housing Strategy</b>	Commit to an ongoing process of engagement with Indigenous communities and organizations to develop an Indigenous specific housing strategy, reflecting the unique housing and homelessness needs of Indigenous communities
<b>5. Key Steps to End Homelessness</b>	Commit to policy changes and proposed initiatives related to provincial priorities and local enumeration that, combined with related initiatives in the strategy update and previously announced commitments, will support the government's key steps to end homelessness
<b>6. Evidence-Informed System</b>	Continue to build an evidence-informed system that has the capacity to respond effectively to changing needs

# 2016 Ontario Budget Investments

- Building on the 2016 Ontario Budget investment of \$178 million over three years, the government is making a long-term commitment to stable funding that will continue the transformation of the housing system
- The province is committing new operating and capital funding to support the following LTAHS Update initiatives:

## **1. Survivors of Domestic Violence Pilot Project**

- Investing \$7.4 million over two years to pilot a portable housing benefit for approximately 1,500 survivors of domestic violence, starting with \$2.4 million in 2016/17

## **2. Supportive Housing – Four Provincial Priorities for Ending Homelessness**

- Providing more than \$100 million in operating and capital funding over the next three years for new supportive housing to support up to 4,000 families and individuals with housing allowances and support services as well as supporting the construction of up to 1,500 new supportive housing units over the long term

## **3. Community Homelessness Prevention Initiative (CHPI)**

- Building on the current annual investment of almost \$294 million in funding for CHPI with \$45 million in additional funding consisting of \$15 million in 2017-18 and \$30 million in 2018-19

## **4. Innovation, Evidence and Capacity Building Fund**

- Investing up to \$2.5 million over three years to create an Innovation, Evidence and Capacity Building Fund to support research, evaluation and capacity building initiatives

# 2016 Federal Budget

- The 2016 Federal Budget was released on March 22, 2016, and includes up to \$2.3 billion dedicated towards housing and homelessness prevention over the next two years and a commitment to work with provinces and territories to develop a National Housing Strategy
- Ontario would seek alignment between a new National Housing Strategy and the recently updated LTAHS
- Specifics of program delivery will likely be developed over the coming months

FEDERAL SOCIAL INFRASTRUCTURE INVESTMENTS	2016–2017 (M)	2017–2018 (M)	Total (M)	Households Assisted
Doubling the Investment in Affordable Housing Initiative	261.6	242.8	504.4	100,000
Increasing Affordable Housing for Seniors	100.3	100.4	200.7	5,000
Supporting Energy and Water Efficiency Retrofits and Renovations to Existing Social Housing	500.0	73.9	573.9	540,000 social housing units
Supporting Shelters for Victims of Violence	60.0	29.9	89.9	3,000 shelter spaces
Tackling Homelessness	57.9	53.9	111.8	n/a
Additional Investments to Support the Construction of Affordable Rental Housing	13.1	72.6	85.7	4,000 over 5 years
Additional Investments in Housing for First Nations, Inuit and Northern Communities	356.2	382.8	739.0	n/a
<b>Total</b>	<b>1,349.1</b>	<b>956.3</b>	<b>2,305.4</b>	

# APPENDICES

# LTAHS Update – Market Housing Initiatives

As part of the Market Housing component, the government is proposing to consult on the following initiatives:

## **Inclusionary Zoning**

- Introduce legislation that, if passed, would enable municipalities to establish inclusionary zoning

## **Planning and Financial Tools for Affordable Housing**

- Mandate reduced parking requirements
- Mandate reduced planning application fees
- Extend non-application of 21-year subdivision control to leases of up to 99 years
- Expand municipal ability to financially assist Municipal/City Services Corporations
- Allow lower-tier municipalities to enter into Municipal Housing Facilities Agreements and provide financial assistance for such facilities

## **Second Units**

- Mandate Development Charges exemption for second units in a new home
- Amend Building Code requirements to facilitate second units in new homes

## **Coordinated Plan Review**

- Explore how provincial land-use plans can advance affordable housing objectives and improve coordination across land use planning and affordable housing systems

## **Ontario Municipal Board (OMB) Review**

- Explore streamlining, limiting or scoping OMB appeals related to affordable housing

## Short-Term Initiatives: Legislative Reform

- On May 18, 2016 the government introduced the *Promoting Affordable Housing Act, 2016*, that if passed, would help ensure that Ontarians have better access to affordable and adequate housing
- The changes would amend four provincial acts to help increase the supply of affordable housing across the province and modernize existing social housing by:
  - Allowing municipalities to implement inclusionary zoning, which mandates that affordable units be included in new residential projects in willing municipalities
  - Making secondary suites in new homes less costly to build by exempting them from development charges. Secondary suites are a potential source of affordable rental housing and allow homeowners to earn some extra income from their property
  - Giving local Service Managers more flexibility to administer and deliver social housing in their communities, which will help to reduce wait lists and make it easier for Ontarians to access a range of housing options
  - Encouraging more inclusive communities and strengthening tenant rights through reforms that prevent unnecessary evictions from social housing and modernize how rental property standards are enforced
  - Supporting better program design and decision-making by requiring Service Managers to conduct local enumeration to count people who are homeless in their communities

## Short-Term Initiatives: Regulatory Reform

- In May 2016, the government approved regulatory reforms under three statutes – the *Housing Services Act, 2011*, the *Municipal Act, 2001* and the *City of Toronto Act, 2006*
- Amendments under these statutes will help increase the supply of affordable housing across the province and modernize existing social housing by:
  - Exempting from a household's rent-g geared-to-income (RGI) calculation all scholarships, bursaries and fellowships received in connection with a student's enrollment in a post-secondary institution
  - Increasing the amount of money that can be held in a non-interest bearing bank account without affecting a household's imputed income for RGI calculation purposes
  - Removing the requirement for public housing projects to be comprised of as many geared-to-income (RGI) units as possible
  - Expanding the range of organizations which can own Program 6 (Non-Profit Full Assistance) housing projects
  - Prescribing Service Manager decisions for reviews requested by housing providers and setting rules for such reviews
  - Providing authority for municipalities to provide financial assistance to Municipal Services Corporations for the purpose of facilitating the provision by the corporation of affordable housing
  - Allowing all municipalities to enter into Municipal Capital Facilities Agreements and provide related financial assistance for such facilities

# Supportive Housing System Transformation

- As part of the LTAHS Update, the government has committed to long-term transformation of the supportive housing system, guided by a Supportive Housing Policy Framework, including the following principles:
  - 1) Programs, services and supports are client-centred and foster independence, respect, dignity and inclusion
  - 2) Housing and supports are based on client choice, are portable (follow people if they move), and are flexible to accommodate changing needs
  - 3) System encourages local innovation to explore new approaches to better meet peoples' needs
  - 4) Services are well coordinated across systems (housing, health, community services, and children and youth) with a common commitment to help people thrive
  - 5) Programs and services are evidence-based, committed to continuous improvement, and support the long-term sustainability of the system