 Committee Report

| **To**: | Warden Halliday and Members of Grey County Council |
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| **Committee Date:** | May 10, 2018 |
| **Subject / Report No:** | HDR-CW-09-18 Social Housing Modernization |
| **Title:** | Social Housing Modernization |
| **Prepared by:** | Anne Marie Shaw, Director of Housing |
| **Reviewed by:** | Kim Wingrove |
| **Lower Tier(s) Affected:** |  |
| **Status:** | Recommendation adopted by the Committee of the Whole as presented per Resolution CW123-18; Endorsed by County Council on May 24, 2018. |

## Recommendation

1. **That Report HDR-CW-09-18 regarding the Province’s proposed framework for social housing modernization be received for information.**

## Executive Summary

As part of the Province’s Long Term Affordable Housing Strategy the Province committed to modernizing social housing. The new proposed framework would replace the current prescriptive rules and regulations for housing providers with a new, more flexible approach.

The Province is proposing changes in 3 key areas of the modernized framework: Coordinated Access (wait list), the rent geared to income (RGI) system and non-profit housing.

## Background and Discussion

Social housing accounts for 23 per cent of purpose-built rental stock in Ontario, and is a significant and valued source of affordable housing. The rules that govern social housing communities are from multiple agreements and are not always optimal. As the original operating agreements end and/or mortgages expire with non-profits, there is uncertainty for housing providers about what comes next as there is no proposed funding model and uncertainty for service mangers that need to maintain service level standards.

Modernization will work towards sustaining current stock and simplifying processes for households in need of housing and meeting the recommendations in the 2017 Auditor General’s report.

The 2017 Auditor General’s Report included a review of social and affordable housing in Ontario and provided a number of recommendations to the Ministry of Housing. In the ministry’s response to the Report, they acknowledged the complexity of the affordable and social housing system in Ontario and recognized the need for improvements to move toward the vision that every person has an affordable, suitable, and adequate home to provide the foundation to secure employment, raise a family and build strong communities

The province has set our three key areas to guide the modernization.

**1. Modern Framework**

**2. More Coordinated Access System**

**3. New Approaches to Financial Assistance**

**4. Vibrant Non-Profit and Co-operative Housing Sector**

The Province is seeking feedback from Service Managers and Non-Profit Housing Providers on the proposed modernization of the system. The Province recently held consultation sessions on the new proposals for the non-profit sector. Consultations for changes to the current wait list system will start soon and a working group is looking at possible changes to RGI.

###  Modern Framework

The new framework would be grounded in the following principles:

* People-centred, and consistent with a poverty-reduction focus;
* Responsive to local needs and conditions;
* Enabling innovative approaches to social housing management and revitalization;
* Ensuring transparency and public accountability; and,
* Supporting sustainability in a post-operating agreement environment.

### More Coordinated Access System

The Province is looking at a needs based wait list system rather than the current chronological system. The new system will match peoples housing needs with appropriate forms of assistance including opportunities in the private market and coordinate opportunities for specialized housing with supports. The Province is currently collecting data on Service Managers current wait lists and consultations on proposed changes will follow.

### New Approaches to Financial Assistance

The Province is exploring options for a simplified RGI calculation in order to address concerns that the current RGI system is administratively burdensome and complex. A tax based system would eliminate some paperwork and requirements for applicants and tenants. One downfall of the tax based calculations is that it assumes all tenants complete their taxes.

The Province has recently introduced a portable housing benefit program that allows a service manager to provide a deep subsidy to a private landlord to supplement what a household can afford and the rent amount. The funds for this program would come from the Service Manager.

The Province is currently funding a pilot program for portable housing benefits for Special Priority Policy (victims of domestic violence) households. The program will soon be extended to all areas of the province. Service Managers assist households in applying for the benefit. The program is run through the Ministry of Finance.

### Vibrant Non-Profit Sector

End of operating agreements and mortgages provide an uncertainty for rent geared to income units remaining in the Service Manager system. Service Managers are required to maintain current service level standards.

The Province is introducing an accreditation system based on Province wide minimum standards for housing providers whose agreement or mortgage has come to an end. The accreditation is voluntary. If a non-profit choses to participate in the accreditation they continue to receive funding from the Service Manager based on an agreed upon number of rent geared to income units. This process has yet to be determined. The non-profit also would have access to benefits such as funds from the Province retrofits and other programs.

If the non-profit chooses not to participate in the accreditation they will not receive funds from the Province or the Service Manager and will no longer have a commitment to provide rent geared to income housing.

There are no decisions on who would do the accreditation, remedies or interventions of non-profits that are unable to meet minimum requirements.

## Legal and Legislated Requirements

Future changes to Housing Services Act, 2011.

## Financial and Resource Implications

## Potential Costs:

## Cost of lost rent geared to income units

Implementation of a service manager portable housing benefit

## Relevant Consultation

[x]  Internal:

[x]  External:

### Appendices and Attachments

Service Manager Survey on Social Housing Waitlists





