



Housing and Homelessness Services in Ontario



In Ontario, community housing and homelessness prevention programs are **co-funded, planned and administered by 47 Service System Managers**

Across Ontario, Service System Managers are responsible for:

- Managing **260,000+** affordable housing units, representing a combined **\$40-billion asset**¹
- Providing affordable homes to more than **680,000 Ontarians**
- **Administering funding, overseeing standards**, and providing **capacity building** to more than **1,500+** non-profit and co-operative housing providers
- **Managing wait lists and access** to affordable housing in their communities, according to provincial and local priorities
- **Providing affordable housing options across the continuum of housing needs**, from shelters, transitional and supportive housing to rent-geared-to-income (RGI) and affordable rental
- **Meeting the unique and complex housing needs of their communities**, informed by the priorities set out in their 10-Year Housing and Homelessness Plans, as well as provincial and federal programs and legislation

Ontario's 47 Service System Managers are **Consolidated Municipal Service Managers (CMSMs)**, or upper-tier (regional) and single-tier municipalities across Ontario, and **District Social Services Administration Boards (DSSABs)** in areas where there are no regional municipalities in Ontario's north

¹ Housing Services Corporation, Social and Affordable Housing Primer, 2014.

Ontario is the only jurisdiction

in Canada where municipal levels of government (through Service System Managers) hold responsibility for housing. In other provinces, housing programs are fully funded and delivered by provincial or territorial governments, and supported by federal funding contributions.

Ontario's municipalities are also the primary funders of community housing in Ontario, contributing more than \$1.77 billion annually.

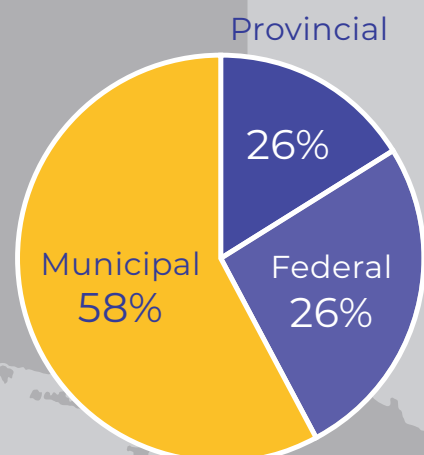
Above and beyond this \$1.77 billion, additional municipal spending goes towards housing related supports, homelessness prevention programs and financial incentives that facilitate affordable housing development.

Increasingly, housing affordability is recognized as a **key driver for poverty reduction, improved health outcomes, and economic and labour market development**, and the Service System Management role is vital to a strong system of affordable housing options for Ontarians.

Directly accountable to their local communities, Service System Managers work to ensure that taxpayer-funded services are managed with a focus on **transparency, quality assurance** and **local priorities** and **outcomes**.

They understand the **unique social, economic, regional and demographic forces** that shape their communities, and their strong relationships with local service providers help them deliver the **right mix of housing supports** – with the right community partners – to address specific local needs.

FUNDING SOURCES FOR COMMUNITY HOUSING IN ONTARIO



Source:
Association of Municipalities of Ontario, 2017-2018 data

Pressures on Ontario's Housing System

Increased Costs and Funding Instability

- Ontario's Service System Managers are doing their part to ensure that critical services like housing are adequately funded and delivered – but are challenged by the fact that municipal governments collect only **9% of all tax dollars**.
- Most of the community housing stock in Ontario is between **18 and 50 years old**, and the cost to address the backlog of needed repairs is sitting at **\$1.5 billion**.²
- **By 2033**, all funding commitments and agreements for capital and operating expenses between the federal government and community housing providers will have expired. Roughly **40%** of the housing units supported by these agreements **will be non-viable** once they expire, and **80% would be at-risk** of not being able to operate under their current structure.³
- New federal funding under the National Housing Strategy is welcome news, but there are significant **limits to municipalities' abilities to match funding** and the current **funding criteria and application requirements pose barriers to smaller and rural communities**, who may be ineligible.
- **Time-limited, application-based funding models** pose barriers to Service System Managers' and housing providers' abilities to plan strategically to meet long-term needs both efficiently and effectively.
- **The Social Services Relief Fund and Strong Communities Rental Fund** are set to expire and ongoing funding is needed to support community housing, homelessness and low rental vacancies.
- **Currently, 25 of 47 System Managers are eligible for the federal Reaching Home Program**. This program should be expanded to address homelessness in all 47 service system management areas.

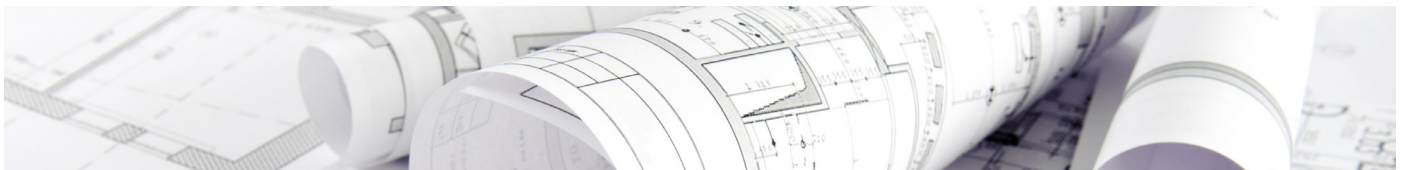


²⁻³ Association of Municipalities of Ontario, *Housing in Ontario: A Primer for AMO Members*, 2017.

Pressures on Ontario's Housing System

Pressures on Affordability

- The **waiting list** for rent-geared-to-income housing in Ontario has grown to **more than 171,000 people**, with little new development to accommodate it.⁴
- There is a **growing demand** for housing for seniors, students, families and those with developmental disabilities. Support is also required for those suffering from chronic homelessness, mental health and addictions issues.
- **Rental vacancy rates are extremely low** and driving up the cost of rent in many communities. In Ontario, **46% of rental households are paying more than 30%** of their income on rent – and **more than 1 in 5 are putting more than 50% of their income towards rent.**⁵
- Non-profit and co-op housing providers often **lack the capital required to develop new housing**, and municipalities are limited by an already **overstretched property tax base**.
- **There has been tremendous growth in the need for supportive housing and wraparound supports** in communities across Ontario.



Administrative Burdens and Lack of Flexibility

- Service System Managers are **subject to over 200 service agreements** with the Province. Programmatic, application-based funding places **cumbersome (and often duplicated) administrative and reporting requirements** on Service System Managers, particularly for those with fewer staff resources or capacity.
- Service System Managers are evaluated against outdated **Service Level Standards (SLS)** that measure only a portion of the possible tools and approaches to improve housing availability and affordability, **limiting flexibility and innovation**. Many local contributions and programs are not recognized under current Service Level Standards. Service System Managers should be held accountable to their 10-year Housing and Homelessness Plans.

⁴ Ontario Non-Profit Housing Association, 2016 Waiting Lists Survey Report, 2016.

⁵ BC Non-Profit Housing Association, Canadian Rental Housing Index, 2018.

Funding Stability

- ▶ **Housing affordability must be recognized (and funded) as a shared priority and responsibility** by all three levels of government – particularly given the limits of the municipal property tax base to shoulder this responsibility. Continued financial support for municipalities through the Safe Restart Agreement and Social Services Relief Fund will be required to meet expected demands on the system and to sustain the community housing and shelter systems over the long term. **Funding should be allocated in predictable and sustainable ways**, through allocation-based (rather than application-based) approaches, with flexibility to roll funding into future years, enabling long-term strategic planning to meet local needs.
- ▶ Service System Managers welcome the federal government's renewed commitment to housing affordability, but the federal government must work with the Province of Ontario and Service System Managers to **ensure that the National Housing Strategy (NHS) can achieve its goals within Ontario's unique framework**. Additional federal funding is required to address expected increased demand resulting from the COVID-19 pandemic. Investment in community housing supply will be crucial to economic recovery in Canada and Ontario.
- ▶ **Significant investment is needed** at the provincial and federal levels to support key priorities, including:
 - Repairs, renovation and maintenance
 - Supportive housing capacity
 - Affordable housing options and supports for people with the greatest need, such as seniors, students, Indigenous communities, people with mental health and addictions challenges, people with developmental disabilities, and the chronically homeless.
- ▶ **The Community Homelessness Prevention Initiative (CHPI) funding has been crucial** to supporting community-level solutions to ending and preventing homelessness. The local flexibility of the program also proved to be crucial during the COVID-19 emergency response. CHPI funding should be prioritized, continued and enhanced, and should support the use of longer-term housing allowances by rolling in the Social Services Relief Fund into enhanced CHPI allocations to enable high-needs individuals to effectively transition into more stable, long-term housing. The Home for Good and Reaching Home programs targeting homelessness should also be expanded.

Service System Manager Priorities in Housing



Partnering in the Design of the Housing System

- ▶ As the primary funders, Service System Managers must be recognized as **equal partners and co-designers** of housing policy and programs.
- ▶ As experts on local housing delivery and need, **Service System Managers must be engaged and leveraged at the outset**, to ensure that provincial policy can be successfully implemented locally.



Increasing Affordable Housing Supply

- ▶ **More action is needed from the Province** to incentivize and stimulate the construction of new rental housing, to address low rental vacancies, increase access to affordable housing options, and ensure tools like the Portable Housing Benefit, Special Priority Policy, and local rental subsidy programs can effectively achieve their intended outcomes.
- ▶ The Province should pursue opportunities to leverage existing assets, including **providing access to surplus provincial properties** at no or low cost, and cataloguing and leveraging public sector land banks for redevelopment in partnership with the private sector and local municipal housing corporations.

Alleviating Pressures on Ontario's Shelters

In many communities across Ontario, **emergency shelters are over, at, or reaching capacity**. Public health requirements have resulted in additional capacity and cost challenges. Emergency shelters are also inappropriately being used as affordable housing options, which is not their intended use. Financial supports are also needed to directly deliver warming centres during the winter months.

- ▶ **Ongoing provincial support** through the Social Services Relief Fund or an enhanced CHPI program will be required to sustain and meet increasing demand over the coming years.
- ▶ **Financial assistance and resources are required** from the federal and provincial governments to alleviate this financial burden on municipal budgets and property taxpayers.



Removing Barriers & Modernizing the Framework

The Province and Service System Managers must work together to **reform and modernize the legislative framework to remove unnecessary burdens** and allow for greater local flexibility and innovation. Priority areas include:

- ▶ **Rent-geared-to-income (RGI) reform** to remove administrative barriers and unnecessary complication for clients, housing providers and Service System Managers. A focus should also be on RGI simplification.
- ▶ **Updating Rent and Utility Scales** to ensure they reflect true costs and keep pace with cost of living increases. Discrepancies in the current scales create additional costs for municipalities of more than \$200 million per year. The gap continues to grow as a result of inflation.
- ▶ **Modernizing Service Level Standards (SLS)** to ensure they reflect current realities, support innovation and flexibility by recognizing the full range of approaches to achieving housing affordability, and are tied to meaningful outcomes for people and communities. All municipal funding and programs that promote affordability should be recognized as part of service level standards.
- ▶ **Supporting efficiencies** through technology modernization and integrated service delivery.

Service System Manager Priorities in Housing



Supporting an Integrated System

- ▶ **Ontario's most vulnerable populations need access to supports** and services in areas like health, mental health, addictions, accessibility and seniors' supports to maintain their housing and their health.
- ▶ **Recognizing the strong linkages between housing, justice, social services and health**, the Province must work towards greater funding alignment and collaboration among all relevant ministries, as well as between the Province, Ontario Health Teams, and Service System Managers.
- ▶ Municipalities and Service System Managers face significant limits in **stretching beyond their funding and mandates** to provide supportive housing in their communities.
- ▶ **Taking a proactive approach**, and working with the corrections system, to ensure people have housing options and appropriate stabilization services upon release. **People should not be released into the homeless shelter system without a plan for community reintegration**
- ▶ **Streamline the provincial management and approach** to defining, measuring and verifying income across all "income-tested" programs, including rent-geared-to-income (RGI) housing, subsidized child care and early years services, and income support (Ontario Works). These programs are all coordinated and managed by Service System Managers, but are overseen provincially by different ministries, and subject to conflicting rules and requirements.
- ▶ **Strong communication and data sharing is required** between the Ministry of Attorney General and Service System Managers to ensure supportive housing and services are available for those released from incarceration.
- ▶ **Service System Managers are leading the way** on integrating, simplifying and streamlining service delivery at the local level, to achieve better outcomes for vulnerable populations. To further this work, we must integrate how social policies and programs are designed and implemented at the provincial level as well.
- ▶ **Service Managers are accountable** for their 10-year housing and homelessness and community safety and well-being plans. These plans have the potential to reduce administrative and reporting burdens at the local level.

Working Together

OMSSA and its members look forward to working with the provincial and federal governments to improve access and affordability across the full spectrum of housing options in communities across Ontario. Ontario's 47 service managers are ready to work together as full partners on Community Housing Renewal and the Supportive Housing Review.

The Ontario Municipal Social Services Association (OMSSA) is a non-profit, non-partisan organization whose members are Ontario's Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs). By supporting, connecting and advocating for our members across Ontario, we help them to achieve their collective mission of delivering the best human services outcomes for Ontario's communities | www.omssa.com