



June 27, 2019

Hon. Steve Clark
Minister of Municipal Affairs and Housing
17th floor, 777 Bay Street
Toronto, ON M5G 2E5

Proposed Amendments to the *Housing Services Act, 2011* re: Community Safety; Social Housing Waiting Lists; and Rent-Geared-to-Income Calculation

Dear Minister Clark,

The Ontario Municipal Social Services Association (OMSSA) is a non-profit association whose members are Ontario's 37 Consolidated Municipal Service Managers (CMSMs) and 10 District Social Services Administration Boards (DSSABs). Our members' interests are represented to OMSSA by the senior human services staff of the CMSMs and DSSABs.

In Ontario, community housing and homelessness prevention programs are co-funded, planned and administered by Ontario's 47 service managers. OMSSA appreciates our partnerships with the Association of Municipalities of Ontario (AMO), the Northern Ontario Service Deliverers Association (NOSDA) and all housing provider professional organizations.

OMSSA values our close relationship with the Ministry of Municipal Affairs and Housing (MMAH). As partners in the management and delivery of community housing, we appreciate the consultation and communication from Ministry staff, who have demonstrated a readiness and willingness to engage at our housing summits, Leadership Table meetings and conferences.

Over the past year, Ontario's service system managers have been working with the Province towards the goals of protecting community housing and increasing housing supply. Overall, OMSSA members are supportive of the Community Housing Renewal Strategy and share common objectives with the Province to sustain, repair and grow the community housing system and make it work better for those in need. Service managers see many positives in the Community Housing Renewal Strategy that incorporates our feedback to the Ministry over many years.

It is important for all levels of government to work together on community housing. In April 2018, Ontario and the federal government signed a bilateral agreement outlining how the two levels of government will work in tandem with municipal governments to deliver National Housing Strategy investments in Ontario.

In Ontario, service managers are the lead partners in the planning, coordination and delivery of housing and homelessness services. OMSSA's members look forward to further consultation



through provincial tables as we work together to implement the Community Housing Renewal Strategy in local communities across Ontario. OMSSA also supports the Province engaging with Indigenous governments and with Indigenous housing providers and service organizations on the Community Housing Renewal Strategy.

Following the release of the Community Housing Renewal Strategy in April 2018, the Province posted proposed regulatory changes that would amend the *Housing Services Act, 2011*. The changes are targeted at improving community safety, better managing social housing wait lists and simplifying rent-gear-to-income calculations. OMSSA members are supportive of these objectives and are encouraged that these changes have reached the regulatory posting stage.

OMSSA encourages the Province to continue with this work and to:

- consider reviewing service level standards
- consider reviewing outdated social assistance rent and utility scales
- pursue measures to address the potential impacts of end of mortgages and operating agreements
- consider the special priority policy as part of the Community Housing Renewal Strategy

The above measures are all essential to ensuring the long-term sustainability of the municipal community housing system in Ontario.

Community Safety: Ontario Regulation 367/11

OMSSA is supportive of efforts to improve safety within the community housing system. Human trafficking, domestic violence, drug trafficking and gang activity have been known to occur in many communities across Ontario. When it occurs in community housing developments, this has the potential to put tenants at serious risk.

If implemented, this regulation change would allow community housing providers to refuse a unit to a wait list applicant if a member of that household had been previously evicted due to “serious criminal activity.” At this point, the Province has not defined “serious criminal activity” and it is unclear if this will be left to service manager discretion. The decision to deny an applicant can be made by individual providers but does not apply to all community housing providers in Ontario should a refusal occur due to a previous eviction.

It is unclear if the ban would be permanent or time limited. The consequences of a ban from community housing and its potential impact on the shelter system, other community housing providers and neighboring service managers must be considered. Those previously incarcerated have a higher risk of homelessness than the general population. Implementing the proposed changes will not reduce the need for effective enforcement, community policing and outreach within community housing communities.



It is important to consider the role of the justice system and its impact on community housing. OMSSA suggests that additional supports may be required to help transition those previously incarcerated back into the community.

A provincial review of supportive housing and a multi-Ministry approach is crucial to community safety and well-being. Investing in mental health and addictions to ensure that people have access to services within the communities where they live is an important priority.

OMSSA further suggests that local flexibility is needed to empower service managers to make decisions that ensure community safety and well-being. Service managers are working closely with local police and stakeholders on their Community Safety and Well-being Plans and support efforts designed to increase community safety.

Social Housing Wait Lists: Ontario Regulation 367/11

OMSSA members welcome efforts to improve community housing wait list administration. The Auditor General of Ontario found that there are more people on wait lists for social housing than are currently receiving social housing benefits.

As of December 2016, Ontario's wait list of 185,000 households was the highest in the country, representing about 481,000 people and about 3.4% of Ontario's total population. According to the Auditor General, the number of households on wait lists has increased by 36% in Ontario over the last 13 years. OMSSA agrees there are opportunities to improve the administration of community housing wait lists to better target those most in need of housing.

The proposed regulation would restrict tenant refusals and require a household to accept the first offer made to them unless an exception was made by the local service manager in special circumstances. This change is very welcome and fully supported by service managers. This will reduce administration, decrease vacancy loss and help prioritize those most in need.

The proposed regulation change also allows for tenant transfers, enabling a household to apply for a transfer without being placed at the bottom of the wait list. Local flexibility is appreciated by service managers to ensure that this does not create administrative burdens or negatively impact supporting those on the wait list.

Service managers see more demand than supply within the community housing system. Increasing tenant transfers could pose costs to service managers through unit turnovers, and could become a barrier to serving those currently on the waitlist. There may also be administrative costs associated with implementing and maintaining a transfer system in addition to the centralized waiting list. To effectively address growing wait lists, increasing the right mix of housing supply must remain a top priority for all levels of government.



The Province has asked for feedback on asset limits. Currently, service managers have discretion to set local asset limits. Few service managers have set a local rule for asset limits. If the Province mandates asset limits, guidance from the Province would be welcome in setting local rules and policy. Local flexibility is required based on different local circumstances in urban, suburban, rural and Northern communities within Ontario. Service managers are eager to work with the Province on this issue to achieve objectives in a manner that does not lead to increased administration burdens or impact current asset limits.

Overall, OMSSA supports measures designed to improve community housing wait list administration and looks forward to working with the Province to address these issues.

RGI Calculations: Ontario Regulations 367/11 and 298/01

OMSSA members have long called for simplification of rent-geared-to-income (RGI) rules that have been a major administrative burden for service managers in Ontario. The proposed regulation attempts to address this with potential changes to RGI calculations.

While many of these changes and intentions are welcome, they could result in significant costs to service managers and community housing providers. Moving to an annual income-based system could increase subsidy costs, as RGI increases would be delayed for most in-year income increases. It is unclear whether an in-year income decrease of more than 20% would be immediately implemented.

Exclusions for support and student income will also increase subsidy costs, as will the exemption of child care costs from net earned income on line 236 of the income tax return. Outdated social assistance rent scales continue to be a long-standing issue for municipal governments. Failure to review these scales as part of the Community Housing Renewal Strategy was a missed opportunity to balance service manager costs while better aligning programs and services to encourage economic inclusion and employment.

The Province has indicated that increased subsidy costs may be offset by decreased administrative costs. This is unlikely, as costs for RGI administration are embedded in the Housing Services Act funding model, which is unaffected by the proposed changes. Further, the potential reduction in administrative burden may be overstated, as alternate annual income adjustments may be required in circumstances where income tax does not reflect expected income (e.g. applicants who received social assistance in the prior year who are no longer receiving it, and vice versa).

The municipal level of government receives only 9 cents of every dollar taxed in Canada. Service managers are covering 58% of the cost of community housing in Ontario. The property tax base cannot sustain any tax increases resulting from community housing renewal. The Province should



work with service managers to determine any new costs incurred by CMSMs and DSSABs as a result of the proposed RGI simplification changes. Working closely with initiatives in social assistance reform, the new child care plan and human services integration will be important to efforts within the community housing renewal strategy.

OMSSA supports the submission from the Association of Municipalities of Ontario (AMO). Service managers stand ready to provide further consultation and to work to implement the Community Housing Renewal Strategy under the terms of the TOCCA and AMO consultation agreements. We look forward to providing further consultation and feedback through provincial tables and regular meetings between the 47 service managers and our provincial counterparts.

OMSSA is encouraged that community housing renewal and housing supply is a key priority for the Province, as evidenced by the Community Housing Renewal Strategy and Housing Supply Action Plan. Ontario's service managers look forward to working with the Province on these priorities and ensuring successful outcomes for those in need of community, social and affordable housing in Indigenous, urban, suburban, rural and Northern communities across Ontario. We appreciate the opportunity to provide consultation on these proposed regulatory changes under the *Housing Service Act, 2011*.

Sincerely,

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