



September 30, 2009

Hon. Jim Watson, Minister
Ministry of Municipal Affairs and Housing
17th Floor
777 Bay Street
Toronto, Ontario M5G 2E5

Dear Minister:

RE: ONTARIO'S LONG-TERM AFFORDABLE HOUSING STRATEGY CONSULTATION

The Northern Ontario Service Deliverers Association (NOSDA) is an incorporated body that brings together 11 of Northern Ontario's 12 Municipal Service Managers. All eleven are responsible for the local planning, coordination and delivery of a range of community health and social services that the Province of Ontario divested to them to locally manage. These services represent a significant portion of the social infrastructure of all Northern Ontario's municipalities and also account for a good share of the property taxes that Northern Ontario municipalities dedicate to the social support infrastructure of their municipalities.

NOSDA is primarily composed of nine District Social Services Administration Boards (DSSABs), that are unique to Northern Ontario; and two municipalities (also known as Coordinated Municipal Service Managers (CMSMs)) – the City of Greater Sudbury and the District Municipality of Muskoka.

Northern Ontario's municipal service managers collectively have annual expenditures in excess of \$650,000,000 and together employ over 1,000 people. We thus represent a significant component of Northern Ontario's economy and labour force.

We plan and coordinate the Northern Ontario delivery of public services and infrastructure programs that result in measurable gains to the quality of life of Northerners through:

- the provision of financial and other supports to persons having difficulty entering or re-entering the labour force;
- the creation, maintenance and provision of affordable, social housing;

- the provision of quality of early learning and child care services that reassure their parents that their children are in safe, nurturing environments while they busy themselves at work or upgrading their skills;
- the provision of emergency medical services in times of personal crisis

NOSDA has a proud ten year history: social infrastructure development and support is the core business of its members. Our intimate understanding of local human services and social infrastructures across all of Northern Ontario explains why **NOSDA's** member Service Managers believe we have significant contributions to make in the development of Ontario's Long-Term Affordable Housing Strategy, from a Northern Ontario perspective.

Minister, we want to commend you and your Ministry for moving forward and addressing the tremendous need for increased and improved social housing in Ontario. We welcome this opportunity to work with you and your Ministry is this most worthwhile initiative.

According to Ontario's Long-Term Affordable Housing Strategy Discussion Paper, released in July, 2009, there are five key questions. Our responses below were derived from our recent Discussion Paper, Improving the Housing system in Northern Ontario (February, 2009, see attached). Specifically:

1. What specific roles should each of the housing partners play in the delivery of affordable housing?

If the current policies related to housing remain in place, the long-term impacts on the overall housing system in Northern Ontario are the likely deterioration of housing stock, reduced market investment and increased pressure on social housing, long-term care and emergency services.

This context suggests some significant changes to housing and social policy that would allow Northern municipalities and Service Managers to better meet the needs of their citizens and improve the outcomes across a range of social policy areas are required.

In general, senior levels of government need to address the role that housing plays in all areas of social policy, from economic development to poverty reduction to pressures on acute and long-term care. Housing is infrastructure, and investing in affordable housing, by new development, acquisition or renovation contributes to the economic health of communities through construction, the buying of goods and services and the reduction of costs in other service areas. Housing outcomes need to be considered in all infrastructure and service investment decisions.

One-size-fits-all housing programs don't work. Housing markets and communities across the Province vary greatly. In Northern Ontario, geography and resource economies greatly influence demand for housing, and programs developed in urban Southern Ontario do not work well in the remote North and rural areas. Provincial

legislation should establish expected outcomes and service levels, not prescribe how to manage funding or programs. To truly help people, programs and policies must be flexible and permit locally appropriate responses.

For example, increased portability of housing subsidies that can be applied in-situ or follow families as they move would better respond to the volatility of the Northern economy, and would support transitions between employment and social assistance. Better still, a Service Manager Plan model based on a District Affordable Housing Strategy would allow local responsiveness within an accountability framework. Ideally, funding would be provided as a block-grant that can be applied to fulfill Service Manager objectives.

Housing is a business, and providers need the flexibility to manage their portfolios not just the SHRA. The significant assets embodied in the existing housing stock need to be unencumbered. The provincial and federal governments must work together to facilitate and permit, where possible, existing social housing providers to lever the value of existing assets to address current and future needs and opportunities, whether selling unaffordable stock and replacing it with new or newly acquired housing, or converting unit subsidies to rent supplements.

More broadly, the range of funding, programs and legislation Service Managers have to work with often conflict or do not work well together to achieve better results for the money being spent or for the people being served. An integrated approach to policy and programs would ensure that investments are made in the right places rather than just where programs or legislation requires. For example, providing generalized social and health care support to seniors in social housing reduces emergency room visits, hospitalization and pressure on long-term care beds. Better alignment of policies and programs across all social service Ministries would result in more cost-effective (e.g. supportive housing rather than long-term care beds) and more efficient (e.g. reduced administrative complexity) solutions to variable and complex community needs. Program funding needs to be structured so that the right agencies deliver programs regardless of which Ministry is providing the funding.

Finally, the unique situation of DSSAB's must be taken into account when policy and programs are being developed. Unlike other Service Managers, DSSAB's are not a level of government, and work cooperatively and collaboratively with, through and on behalf of their funding municipalities. All too often DSSABs are disadvantaged from their CMSM counterparts when special funding and infrastructure programs are announced and DSSABs are excluded from application. DSSAB's need the authority to receive and allocate funding for legislated programs and to help the Province meet program objectives.

2. What changes are needed to our housing programs to better use resources and improve access to affordable housing? Changes could include modifications to the Affordable Housing Program or the simplification of housing and homelessness programs.

Some significant changes to housing and social policy that would allow Northern municipalities and Service Managers to better meet the needs of their citizens and improve the outcomes across a range of social policy areas:

- Ability to reposition, renovate and relocate existing social housing assets to adjust to changing demographics both within and between Districts.
- Ability to direct housing investments to meet local needs, whether new rental housing including market housing or repairs or redevelopment of existing housing stock.
- Portability of housing subsidies (directly or via a new Provincial Housing Benefit-type program) that can be applied in-situ or follow families as they move would better respond to the volatility of the Northern economy, and would support transitions between employment and social assistance.
- More investments in supported housing (supportive housing and more supports to tenants in general).
- Alignment of policies and programs across all social service Ministries so that more cost-effective (e.g. supportive housing rather than long-term care beds) and more efficient (e.g. reduced administrative complexity) solutions to community needs can be developed.

3. What changes are required to the Social Housing Reform Act to reduce the regulatory burden and improve the management of social housing?

The unique situation of DSSAB's must be taken into account when funding for housing and other programs is provided. Unlike other Service Managers, DSSAB's are not a level of government (Municipality, County or Region) but work cooperatively and collaboratively with, through and on behalf of their funding municipalities. As the service manager for municipal social services, DSSABs receive and allocate funding for legislated programs based on local need and to help the Province meet its program objectives. All too often DSSABs are disadvantaged from their CMSM counterparts when special funding and infrastructure programs are announced and DSSABs are excluded from application. DSSAB's need the authority to receive and allocate funding for legislated programs and to help the Province meet program objectives.

Housing is a business, not just a program, and Service Managers and providers need more flexibility to manage their portfolios than the Social Housing Reform Act allows. Provincial legislation should establish expected outcomes and service levels, not prescribe how to manage housing or housing units. As long as local decisions respect mandated service levels and do not create additional liability for the provincial or federal governments, they should be respected and allowed. An example is the requirement to match unit sizes to household size. This means larger units sit vacant because the majority of applicants are single or two person households.

Increased portability of housing subsidies within a District is necessary to address the continued movement of families and change in populations in some communities. Portability means that RGI subsidies should be targeted to the household, not the units, and could therefore be provided in-situ when needed or follow a household as they move to seek education and employment. Inter-District portability would require significant changes to legislation, including how DSSAB's are structured, to make administration of subsidies and costs equitable and accountable.

Portability includes the ability to repurpose housing assets originally built under social housing programs. In some communities, social housing units are sitting vacant while other housing needs are not being met.

Converting social housing to market housing or supportive housing makes more sense, and can ensure the continued use of those publicly funded assets. Service levels would be met by transferring those subsidies to rent supplements where demand for RGI housing is higher.

4. What creative new ideas could improve the current housing system? This could include new planning tools, innovative financial options and new green technologies.

The growing pressure on social housing in most areas of the province is a direct result of the lack of market investment in rental housing over the past few decades. Some urban areas in the north are experiencing high demand for market rental, with resulting high rents. Some of the market stock is being lost to conversion or redevelopment, putting more pressure on social housing for both RGI and market needs. As such, we urge that the Province should review the maximum OW/ODSP shelter component as the amounts have not kept pace with marketplace rents, and further, that the Province should amend its RGI rent scales to match the maximum shelter rate for all OW/ODSP recipients (RGI rent scales have not changed in over ten years). Further, the province needs to align economic development strategies with housing objectives to encourage investments in private sector housing so that workers have places to live.

One suggestion is buildings that are 100% RGI could convert some units to market rents, increasing the population diversity while addressing the need for more market rental in some communities. The displaced RGI subsidies could be applied as rent supplements in other parts of the community, thus increasing inclusion throughout the community.

In many parts of the North, relative lack of affordable housing means that some households are choosing to stay in more remote communities further from services in order to remain in housing they can afford. In other Districts, particularly in southern parts of the NOSDA region, the continued demand for vacation and resort properties is making housing for long-term residents less affordable.

In Western Canada, the United States and United Kingdom, municipalities have the legislated authority, and in some cases, legislated requirement for developers to include affordable rental housing in new development. Often, these units are purchased, owned and operated by non-profits to ensure long term affordability. Ontario Planning Legislation does not currently fully support inclusionary planning. Changes to the Planning Act enabling municipalities to require affordable housing in new developments would take some of the burden off of the limited social housing resources as the only tool for dealing with affordability. For example, In Whistler, BC and Canmore, Alberta, new resort and condo developments must contribute to providing resident affordable housing so that resident workers can afford to live there.

Governments need to develop a more complete and comprehensive approach to housing because of the role that housing plays across a wide range of policy and program areas, especially health and long term care. Affordable housing is essential for successful economic development and increased employment. Supports to help people live in the community are more cost-effective than building new institutional housing. In the North, some of the public investment in social housing is being lost because existing policies limit the ability to make best use of the housing stock, and approaches to health and social programs remain fragmented, ignoring or duplicating the significant assets that already exist. Provincial policies across all program areas need to be driven by “joined-up” outcomes across Ministries, and where necessary, across jurisdictions, and resources targeted appropriately.

5. What should be used as the housing indicator for Ontario’s Poverty Reduction Strategy? In this context, what do terms like affordable, adequate and suitable housing mean to you?

Human Services Integration is a concept of aligning the complex web of human services in a community to achieve better outcomes for the people needing those services. Policies and programs remain fragmented, often competing with each other; for example, access to one service affects access to another, with different rules for how the same household income is treated. A related example is RGI claw backs, re-entry rules, and uncoordinated policies with OW/ODSP benefits that create little incentive to becoming employed. Multiple points of access to the services system – ODSP offices separate from OW service centres separate from social housing registries – means that households often do not get access to all of the services they need and are eligible for.

The complexities of the administrative overhead involved costs CMSM’s and DSSAB’s time and money, with scarce resources going to paperwork rather than housing or other services. The Province should adopt an integrated human services approach to policies and programs in all service areas that reduces administrative complexity between and with programs, and ensures that Service Managers are empowered to be responsive to local situations with the aim of improving the outcomes for the people who need the services.

Policies and programs should be structured to support defined outcomes based on a few key indicators of need. Programs guidelines should specify intended outcomes – e.g. “housing and supports” – rather than prescribing how funds must be allocated.

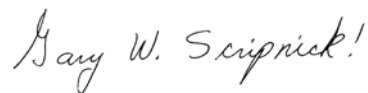
Human services integration is not just about how programs are administered. Programs need to be “joined-up” for mutual reinforcement. Trades skill development should be aligned with housing renovation and building programs. Increased investment in home-based supports requires more people to deliver the services. Employment and Financial Assistance programs as well as Ontario Works benefits should be aligned to encourage labour market development in defined policy areas.

Minister, a provincially funded (but locally administered) Housing Benefit would address many of the issues being faced by persons needing affordable housing in Ontario. A portable benefit could follow families as they move and, if integrated with Ontario Works, would provide a continuum of support for families as they move from employment to assistance and back again. This could be monitored, and could become the housing benchmark for Ontario’s Poverty Reduction Strategy.

We appreciate the opportunity to comment on Ontario’s Long-Term Affordable Housing Strategy, from the Northern Ontario perspective, and would welcome further dialogue in this important area of social and economic infrastructure development.

Again, we commend you and your Ministry in taking action to address the need for affordable housing in Ontario.

Sincerely,

A handwritten signature in cursive script that reads "Gary W. Scipnick!".

For the Northern Ontario Service Deliverers' Association