Key Questions on the Affordable Housing Strategy
The Province will work to increase the number of affordable housing units in Ontario, with a particular focus on appropriate housing for persons with serious mental illness, victims of domestic violence and the working poor.

The Province is consulting on the development of an Affordable Housing Strategy (AHS) as illustrated on the following page.

The guiding principles of the AHS will be to maximize the impact of limited public resources by leveraging additional funding and achieving multiple objectives.
Ontario’s Affordable Housing Strategy

- Affordable Housing Program
- Government Lands
- Increased Rental Supply
- Residential Tenancy Reform
- Rent Banks
- Supportive Housing for People with Serious Mental Illness
- Housing Allowances
- Housing for Victims of Domestic Violence
- Ontario Mortgage & Housing Partnerships
- Conversion & Demolition

Increased Rental Supply
Current Housing Market

• Mortgage rates at 50 year low

• Homeownership rate in Ontario has risen from 64% in 1996 to 68% in 2001.

• In October 2003 CMHC reported that Ontario’s average vacancy rate rose to 3.5% compared to 2.7% in 2002.

• CMHC identified a dip in net migration and affordable mortgage rates, as key factors affecting vacancy rate increases.
Exclusions from Housing Market

- Not all Ontarians have benefited from the changes in the housing market.

- There are more than 158,000 households, representing more than 300,000 people, on social housing waiting lists across the Province (ONPHA, Feb. 2004).

- In 2001, more than 426,000 renter households were in core housing need, i.e. they lived in housing that cost more than 30% of their gross income, and/or was overcrowded or in bad physical condition.

- The Affordable Housing Strategy primarily targets people who are unable to access the private market. This includes persons with serious mental illness, victims of domestic violence and the working poor.
What Has Been Accomplished under the AHP

- Since October 2003, $65M in funding has been announced to create more than 3,200 units of affordable housing in communities across the Province.
  - 2747 units in the amount of $60.9M for Community Rental Housing
  - 382 units in the amount of $2.3M for the Home Ownership Component
  - 100 units in the amount of $2.0M for the Remote Component
- Project selection underway for over 2,000 additional units
- 13 municipalities are participating
Topics for Today’s Discussions

MORNING DISCUSSIONS
Who should the government try to help through the AHS?

How should the government assist these people?

SMALL GROUP DISCUSSIONS AND REPORT
- Local Opportunities
- Co-Ordination and Partnership Building
- Municipal Involvement

AFTERNOON DISCUSSIONS
How could AHP be designed to meet these objectives?
Morning Discussions
Who Should the Government Try to Help Through AHS?

Background
Some of the groups that the Provincial and Federal governments are interested in assisting through the AHS are:
- Persons with serious mental illness
- Victims of domestic violence
- The working poor/households that qualify for a rent subsidy
- Aboriginal peoples
- Recent immigrants

Questions
How could the Affordable Housing Program best target these groups in your region?
How should the Affordable Housing Strategy target these groups?
What other groups should the AHS target?
What is missing in your area for these target groups?
Housing Waiting Lists

Background
There are numerous waiting lists in Ontario for housing. The largest is the coordinated access system for rent subsidies as prescribed by the Social Housing Reform Act (2000). Others are operated by former federal, supportive/alternate housing providers and providers with units modified for the physically disabled.

For people requiring housing and support services, application procedures and capacity vary by community.

Questions
What is the best way to manage separate but related waiting lists?
Who should set priorities and be responsible for co-coordinating complex and competing demands for scarce housing and support resources?
Housing for victims of Domestic Violence

Background
The Ministry of Community and Social Services provides funding for shelter and counselling supports to women and children fleeing domestic violence.

Under the Social Housing Reform Act, 2000, households that have a member or members who are abused and apply for rent geared-to-income assistance have a mandatory priority on waiting lists for prescribed housing projects.

Questions
What are the housing needs for your region for victims of domestic violence?
What challenges are faced in housing this target group?
How could the Province encourage partnerships and cooperation among service providers, including municipalities?
Supportive Housing

Background
The Ministry of Health and Long Term provides supportive housing funding for people with serious mental illness.

Questions
Is it more desirable to have supportive housing units integrated with other units or to have dedicated projects?
Should support services be linked to housing or separated to allow for greater flexibility and choice?
What coordination opportunities exist between housing providers and support service providers locally for people that require support services?
Housing Allowances

Background
Housing Allowances can provide direct, immediate housing relief for individuals and households in the greatest need.

Questions
What would be an appropriate allocation model?
Are there opportunities to integrate housing allowances with other financial assistance programs (e.g. Ontario Works) or is it best to provide direct and separate assistance to help with the cost of housing?
Should housing allowances be integrated with existing rental subsidy programs and with the Affordable Housing Program? If so how?
Should housing allowances be tied to housing stock or to individuals in need of housing?
Government Lands

Background
In March of 2004, the Province consulted on an approach to give priority to the development of affordable housing on Provincially owned government lands?

Questions
What opportunities for development of government lands exist in your area?
How should these opportunities be exploited and by whom?
Financing and Mortgage Insurance

Background
The Ontario Strategic Infrastructure Authority (OSIFA) was established to provide low interest rate loans for provincial infrastructure projects including affordable housing. The Province is also investigating how OSIFA could be used to facilitate a Mortgage and Housing Partnership for the development of affordable housing.

Questions
What would be the most effective way to incorporate OSIFA financing into the AHP?
How could OSIFA financing be used effectively outside of the AHP for the development of affordable housing?
Small Group Discussions and Report Back
Local Opportunities

Background
The Community Rental Housing portion of AHP funding aims to reduce the capital costs for newly constructed rental buildings, making it economically feasible for landlords to charge affordable rents.

Questions
What local opportunities exist which could help reduce the costs of constructing new affordable rental housing (e.g. land, capacity in the building industry, land use planning innovations)?
How could the AHP take advantage of these opportunities?
Co-ordination & Partnership Building

Background
The AHP provides opportunity for partnership among the three levels of government and the non-profit, co-operative housing and private sectors to increase the supply of affordable housing.

Effective co-ordination among ministries and between the governments on housing programs and policies will reduce barriers and improve linkages for the housing sector.

Questions
How effectively are current partnerships working? How could co-ordination be improved?
What are your suggestions with regard to building capacity of key players?
Municipal Involvement

Background
Service managers play an important role in the implementation of the current Affordable Housing Program.

Questions
What is the appropriate role of service managers in the funding and delivery of the AHP?
What are the main issues and solutions regarding the continued role of service managers?
Afternoon Discussions
AHP Program/Policy Design
Design and Administration

Background
The “pilot” round of the Community Rental Housing component of the AHP is wrapping up.

Question
What aspects of the design and administration of the AHP are working successfully and where is there need for improvements in:

• Program delivery
• Accountability and monitoring requirements
• Legal and administration agreements
• Coordination of funding
• Eligibility of new construction and rehabilitation projects?
Allocations Model

Background
Under the current AHP, 4,000 rental units were allocated to 12 “high need” areas and 800 units were allocated for service managers outside of the “high need areas.” Service managers from the “other areas” submitted expressions of interest for participation in the program.

Questions
What do you think of this allocation model? What other types of allocation models might be effective (e.g. by level of affordability, target group, or unit type)?
Encouraging Innovation

Background
Innovation and an entrepreneurial approach to affordable housing are essential to ensuring that limited public resources have maximum impact.

Questions
How would you define innovation in affordable housing?
How would you recognize and reward innovation and community involvement?
Project and Unit Design Guidelines

Background
Currently the AHP has unit size requirements and could have additional project unit design guidelines. For instance, the federal government is encouraging the principles of sustainable development and energy efficient housing.

Questions
How could the AHP address other design principles such as:
• unit size mixing
• disabled access
• security
• energy efficiency
Homeownership

Background
The Homeownership Component of the AHP will assist households that do not have access to homeownership opportunities.

Questions
What are the homeownership needs in your region and what kind of assistance do households need?
What type of affordable homeownership model would work effectively in your region?
What opportunities and barriers exist locally?
Remote Program

Background
Over $15M is available for Northern Ontario under the AHP. As a first step Frontiers Foundation rehabilitated or rebuilt over 50 homes in Northern Ontario’s remote areas and has been granted funding to help an additional 100 homes.

Questions
What housing needs are unique to Northern Ontario which should be addressed through the remote component of the AHP?
What housing program delivery models might work effectively in Northern Ontario?
Note: This slide will only be used at the Thunder Bay and Sudbury sessions.
Next Steps

• Additional feedback is welcome and can be submitted by email, fax or by mail.

• Timing: Any written submissions need to be received by December 15th, 2004.

• A new Affordable Housing Program will be launched in the coming months.
Contact Information

Additional feedback can be forwarded to the Affordable Housing Program.
By email: housing.program@mah.gov.on.ca
By fax: 416-585-7607 or
By mail: MMAH/PIR
Housing Division
Affordable Housing Program
777 Bay Street, 14\textsuperscript{th} Floor
Toronto, ON M5G 2E5
Attention: AHP Stage 2 Consultations
## Appendix: Feedback from Preliminary Consultations

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<thead>
<tr>
<th>Contribution</th>
<th>Stakeholder Feedback From Preliminary Consultations on the Affordable Housing Program and Government Lands</th>
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<tbody>
<tr>
<td>Capital</td>
<td>Capital funding is an important component to reduce rents and make development feasible.</td>
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<tr>
<td>Operating Supports</td>
<td>Operating supports could be used to increase levels of affordability.</td>
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<tr>
<td>Land Use Planning</td>
<td>Delays in planning processes and appeals increase development costs. Municipalities need to make affordable housing a planning priority and manage neighbourhood NIMBY opposition.</td>
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<tr>
<td>Risk-Sharing</td>
<td>Risk-sharing arrangements could reduce costs and improve access to financing, especially for non-profit providers.</td>
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<td>Government Lands</td>
<td>Serviced and well-located government land could be used to encourage the development of affordable housing.</td>
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<td>Municipal Contributions</td>
<td>Municipal contributions are an important financial incentive for Affordable Housing projects.</td>
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<tr>
<td>Outreach and Facilitation</td>
<td>Provincial facilitation, advice and support will be important in soliciting and advancing project proposals. Effective co-ordination between ministries and between governments will reduce barriers and improve linkages for the housing sector.</td>
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<tr>
<td>Program Design</td>
<td>Program design issues (e.g. cash flow) need to be discussed more fully in subsequent consultations.</td>
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