

For Information

DATE: August 19, 2011

REPORT TITLE: **LONG-TERM AFFORDABLE HOUSING STRATEGY UPDATE: HOUSING SERVICES ACT, 2011 REGULATIONS AND ONTARIO HOUSING POLICY STATEMENT**

FROM: Janet Menard, Commissioner of Human Services

OBJECTIVE

To provide an update on the Long-Term Affordable Housing Strategy, *Housing Services Act, 2011* and supporting regulations, as well as on the Ontario Housing Policy Statement.

REPORT HIGHLIGHTS

- The Ministry of Municipal Affairs and Housing confirmed that the date of proclamation for the *Housing Services Act, 2011* is January 1, 2012.
- On August 10, 2011, the *Housing Services Act, 2011* regulations were filed.
- The objective of legislative reform is to address complexities associated with the funding and administration of social housing, streamline administrative requirements and ensure appropriate accountability measures have been established.
- In support of these directions, key changes include: providing a new overarching framework for housing and homelessness services in Ontario, simplifying social housing administrative provisions and making these provisions more flexible to address local needs.
- New RGI calculation rules are still to be released, therefore, the current complex system of calculating RGI based on over 60 criteria therefore remains in place.
- LTAHS does not include a provincial commitment to take a role as an active operational and/or capital funder of affordable housing. Nonetheless, the Region of Peel has received a letter (dated August 12, 2011) from the Province advising Peel of a funding commitment of nearly \$32 million from what is now known as the Investment in Affordable Housing (IAH) for Ontario Program.
- The new IAH funding will be integrated into current planning for the development of a Housing Investment Plan, which will be submitted to Council in November.

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DISCUSSION

1. Background

On November 29, 2010, the Province of Ontario released, "Building Foundations: Building Futures - Ontario's Long-Term Affordable Housing Strategy" (LTAHS). LTAHS and the related enabling legislation, *Bill 140 - Housing Services Act, 2011* (HSA) which replaces the *Social Housing Reform Act, 2000* (SHRA), streamlines the administration of affordable housing in Ontario and initiates a process that recognizes housing in an integrated human services framework. It allows for greater program and policy flexibility and decision making at the local level.

On May 4, 2011, the *Strong Communities through Affordable Housing Act, 2011* received Royal Assent. The Ministry of Municipal Affairs and Housing confirmed that the date of proclamation for the *Housing Services Act, 2011* is January 1, 2012. On August 10, 2011, the *Housing Services Act, 2011* regulations were filed, some details of which will be provided in this report.

2. Housing Services Act, 2011 and Regulations: Roles and Responsibilities

The release of these regulations, along with the Ontario Housing Policy Statement, articulates the roles and responsibilities for the Province and Service Managers.

a) Province as System Steward

The province is responsible for setting the overall vision and provincial interests for housing in Ontario. It also takes responsibility for: setting the legislative and policy framework; identifying common desired outcomes and reports on their achievement; assisting in the achievement of desired outcomes through broad, outcome-based program funding; and engaging with the federal government to establish national directions and negotiate federal contributions.

b) Municipalities as System Service Managers

Municipalities take responsibility for: setting the local vision for housing (that reflects the provincial interest); providing local leadership in research and analysis of local housing and homelessness systems; developing and implementing strategies to address housing need and to produce desired housing outcomes; contributing to and coordinating housing funding; administering housing and homelessness programs; and reporting to the province on progress in addressing local needs and producing outcomes.

The new direction in the *Housing Services Act* supports the Region of Peel's current efforts and past history of planning and expanding programs to meet local needs, including Council's direction to increase housing options for residents, as per Term of Council Priority #7. Staff are currently focusing on expanding the existing rent supplement and home ownership programs while concurrently developing a Housing Investment Options Plan with a 20 year horizon. This plan will be submitted to Council for consideration in November, 2011.

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3. *Housing Services Act, 2011: Highlights of Key Changes and Regulations*

The objective of legislative reform is to address complexities associated with the funding and administration of social housing, streamline administrative requirements and ensure appropriate accountability measures have been established. In support of these directions, key changes include: providing a new overarching framework for housing and homelessness services in Ontario, as well as simplifying social housing administrative provisions and making these provisions more flexible, thereby allowing Service Managers to address local needs.

Five regulations have been created to date under the HSA and relate to: General Regulations, Designated Housing Projects, Subsidies for Housing Projects, High Needs Households and Household Income Limits, and Rent-Geared-to-Income (RGI) Assistance and Special Needs Housing. The HSA regulations replace nine regulations under the SHRA, with the majority of details contained in the "General Regulation".

Peel's minimum service level standards remain unchanged under the new Act at 8,261 RGI subsidies. The regulation pertaining to RGI Assistance and Special Needs Housing pertains to these standards and providers governed by the Act. New rules will be set out in respect to eligibility, systems for selecting waiting households, priority rules and notice of decisions. The province will set out basic requirements for tenant selection systems, but will introduce the ability for local flexibility around such matters as local priorities, transfers across service manager boundaries and some local alternative approaches.

New RGI calculation rules are currently being reviewed with various stakeholders and were therefore not included in the Regulations; the current complex system of calculating RGI based on over 60 criteria remains in place until the Ministry establishes a date for the release of new RGI calculation rules.

With respect to Housing Providers, there is a new requirement to prepare plans that incorporate staff and volunteer training, a succession plan for the board of directors, and (for co-ops) a plan for educating tenants about co-op governance. As well, to encourage more collaboration and fairness in resolving disputes, the new Act outlines a process to ensure that Service Managers make reasonable efforts to assist a housing provider when there is a dispute.

One new element in *Housing Services Act* is the requirement that service managers develop integrated housing and homelessness plans for submission to the province by January 1, 2014. Consideration of victims of domestic violence and persons with disabilities will need to be addressed in the development of these plans. This requirement dovetails with the release of the Ontario Housing Statement, summarized below.

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4. Ontario Housing Policy Statement

The Ontario Housing Policy Statement is intended to provide additional policy context and direction to Service Managers to support the development of locally relevant plans. The Statement contains seven policy directions, including Accountability and Outcomes (i.e., Service Managers will ensure their housing and homelessness plans help people become more self-sufficient), Goal of Ending Homelessness (i.e., the Province is focused on helping people who are homeless, or at risk of homelessness, to access safe, affordable and stable housing) and the Private Market (i.e., assisting the private market to meet local needs for housing by allowing second units and generating support for affordable home ownership).

The Statement is consistent with the broad direction established by Peel's Human Services Plan, e.g., to Objective #4: Strengthened individual, family and neighbourhood capacity. It is also consistent with and supportive of Term of Council Priority #7, i.e., increase (the) supply of appropriate housing options.

5. Commitment of Funding by Senior Levels of Government

The LTAHS makes no specific commitment by the Province of Ontario to take a role as an active operational and/or capital funder of affordable housing. Nonetheless, the Region of Peel has received a letter (dated August 12, 2011) from the Province advising Peel of a funding commitment of nearly \$31.7 million from what is now known as the Investment in Affordable Housing (IAH) for Ontario Program. Staff will provide more details of this program as they become available. The inclusion of these new funds will enhance the implementation of new directions established by the LTAHS, HSA and Housing Policy Statement, and will be integrated into the current development of the Housing Investment Plan.

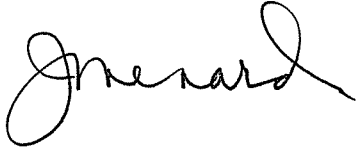
CONCLUSION

LTAHS, inclusive of the Ontario Housing Policy Statement, HSA and supporting regulations, and the recent IAH funding announcement, will ultimately result in fundamental changes to the affordable housing system in Ontario and in Peel Region. It completes the housing devolution process that began in 2000 and establishes a framework that will allow for integrated human services delivery in ways that allow the Region (i.e., in collaboration with key stakeholders including housing providers) to respond to the local and specific needs of our community. These new provincial announcements support Peel's current direction towards Human Service integration and will be considered in the Housing Investment Plan currently underway.

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Staff will work closely with our Housing Providers (including Peel Living) to implement the new Act and will also continue to keep Council informed of new developments, including additional regulatory announcements, as well as the details of senior government funding announcements.



Janet Menard
Commissioner of Human Services

Approved for Submission:



D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact Stella Danos-Papaconstantinou at extension 4862 or via email at stella.danospapaconstantinou@peelregion.ca

Authored By: Geoff McIlroy

c. Legislative Services