

# BACKGROUND ON AFFORDABLE HOUSING OTTAWA AND ONTARIO

*Prepared for Ottawa Branch of the Housing Network of Ontario*

*Preliminary audit for Ottawa, July 27, 2009*

## **Ottawa – AFFORDABLE HOUSING**

- **In 2008, only 5% of the money spent on affordable housing in Ottawa came from the Province.** The Federal government contributed 32%, and the City 63% via incentives to non profit and other groups. These funds covered new affordable housing, the homeownership down payment program and operating subsidies for 56 housing providers, including rent subsidies. (People who are homeless or at risk of homelessness often cannot afford housing on the open market; they may be dependent on income support programs such as Ontario Works (OW) or the Ontario Disability Support Program (ODSP) or work at low or minimum wage jobs that are often not full-time.)
- **75.2% of Ottawa's low-income renters in 2005 were in core housing need\* – the worst record of any Census Metropolitan Areas in Canada (Toronto = 74.3%, Vancouver = 69.7%, Calgary = Gatineau = 49.3%, 43.7%)** A household is in core housing need if its housing does not meet one or more of the adequacy, suitability or affordability standards and it would have to spend 30% or more of its before-tax income to pay the median rent of alternative local market housing that meets all three standards. (*CMHC Research Highlight: Low-income Urban Household Not In Core Housing Need, March 2009, Socio-economic Series 09-001*)
- **22,400 units of Social Housing** in projects built prior to 1995 through a variety of housing programs operated by public and private non-profit organizations and housing cooperatives.
- **Ottawa has seen only 967 additional units since 2001**, for people on low incomes built through programs such as the Action Ottawa program and the Canada-Ontario Affordable Housing Program. **134 units were built during 2008 and 74 units were built in 2007.** The City of Ottawa's target is 500 new units annually.
- **There were 9,692 households on the social housing in 2008** (accessed via an integrated Housing Registry). In 2007 9,370 households were on the list.
- **There are 915 spaces of supportive housing with** on-site services are provided by members of the Supportive Housing Network and **2,600 households** are on the supportive housing waiting list at the end of 2008 (in addition to the Registry list). 2,000 households were on this list in 2007.
- **Children and Youth** – In the spring of 2005, the results of a housing checkup demonstrated that over 50% of the families who participated lived in housing need. This survey into the housing needs of children and youth accessing emergency health services at the Children's Hospital of Eastern Ontario (CHEO) conducted in 2005 made clear that families need access to affordable, suitable, adequate housing to optimize the health and wellbeing of children and youth.
- **10,899 households at risk of losing their housing** received housing assistance for those at risk of becoming homelessness in Ottawa in 2008 (Called 'housing loss prevention efforts')
  - Among those, **1,116 households were at the final stage of eviction**
- **LEBRETON FLATS – Somerset West Community Health proposes that the Province of Ontario work** with other levels of government and the NCC to re-visit the tendering process to investigate ways to include Social Housing Providers in a Phase 2 and to invest Federal and Provincial Economic Stimulus funds to support Local Social Housing Providers as the best mechanism to build housing that is truly affordable in LeBreton Flats. **LeBreton Flats land was expropriated by the National Capital Commission in the 1960s.** All levels of government promised to develop new affordable housing in LeBreton Flats.
  - **35 years later, not one single unit of affordable housing has been built on the expropriated land.** In 2006, the NCC contracted with Claridge Homes to re-develop LeBreton Flats. Claridge promised to build in affordable housing in the first phase. The LeBreton Flats Housing Task Force determined that the plan would not result units that would be truly affordable for those on very limited incomes.
- **Stable housing is a precondition for economic stability in Ottawa. The province must move faster on the Poverty Reduction Strategy in Ontario**, recognizing that homelessness is the extreme indication of poverty and that access to affordable housing is fundamental to the success of other poverty measures (income & supports). All other poverty reduction measures will not be effective if individuals and families are not in stable housing. It is time to insist that Ontario stop counting on emergency shelters to be the last-resort solution to the province's housing problems and the shortage of addictions and mental health services.

## **OTTAWA'S HOMELESS INDIVIDUALS & FAMILIES – THE EXTREME INDICATION OF POVERTY**

- **The Report Card on Ending Homelessness in Ottawa trend after 5 years shows current policies maintain homelessness efforts to assist but do not end homelessness.** The length of shelter stay and the times shelter beds are used in Ottawa increased over the 2004-2008 period and indicate that homelessness continues to be a major issue in this community
- **7,045 homeless people stayed in an emergency shelters at some time in 2008** (473 more than 2007)
  - **1,179 children under 16 in 2008 in 747 families stayed in shelters** in 2008 (compared to 907 children in 643 families in 2007); **464 youth, 928 single women and 3,325 single men**
- **The average length of stay in a shelter was 51 days in 2008** (10% increase over 46 days in 2007). 79% were homeless for up to 60 days in 2008, only 21%, or 1,470, were chronically homeless (stayed over 60 days)
  - **Families stayed an average of 53 days** (15% increase over 2007)
  - Youth stayed an average of 46 days (70% increase over 2007)
  - Single women stayed an average 46 days (7% increase over 2007)
  - Single men stayed an average 48 days (same rate as 2007)
- **An average of 1059 people a day stayed Ottawa shelters in 2008** compared to 935 in 2007. There was a **13% increase** in the times shelter beds were used in 2008 to 386,506 from 341,212 in 2007. *(There are 966 shelter beds in Ottawa – 525 beds for single men, 95 beds for single women, 36 for youth, 260 beds for families, 55 beds for mixed gender, and 140 beds for overflow.)*

### **Average Apartment Rents in Ottawa, April 2009**

CMHC Rental Market Survey\*

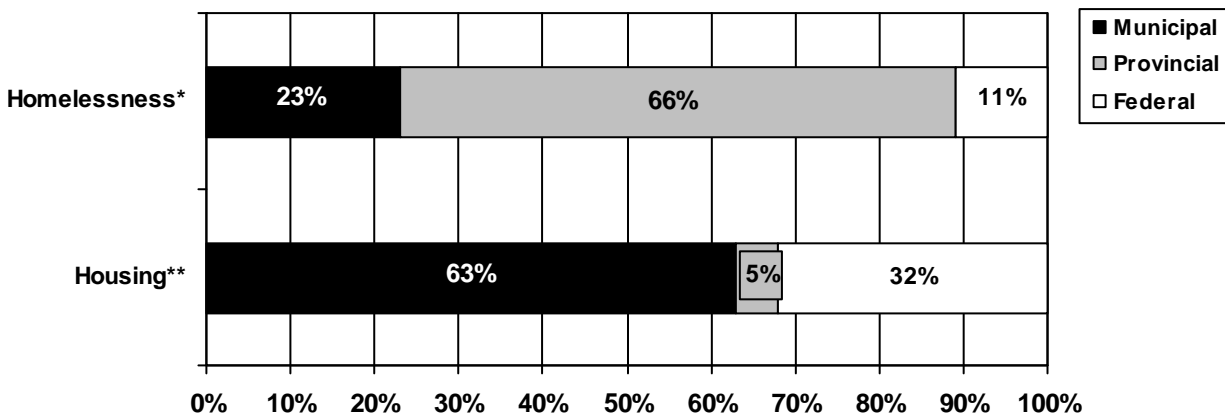
Apartment unit size	Average apt. rent April 2008	Average apt. rent April 2009	# Vacant private apartments April 2009	Total # apartments in Ottawa is 60,841
Bachelor	666	669	143	5,940
One bedroom	819	817	764	30,383
Two Bedroom	957	995	633	22,178
Three bedroom	1,116	1,213	Data not available	2,339

\* <http://www.cmhc-schl.gc.ca/en/corp/nero/nere/2009/2009-06-10-0815.cfm>

### **Federal, Provincial & Municipal - City of Ottawa Funding Shares**

Homelessness Services and Affordable Housing Programs

(City of Ottawa, 2008)



\* **Homelessness:** includes emergency shelter per diems, homelessness services (incl. drop-ins and housing loss prevention), Rent Bank, and domiciliary hostels.

\*\* **Housing:** includes new affordable housing, homeownership down payment program, and operating subsidies for 56 housing providers (incl. rent subsidies).

## ONTARIO – THREE KEY HOUSING FACTS

### Ontario has: highest housing costs, lowest provincial housing investment, worst municipal downloading

*By Michael Shapcott, Wellesley Institute 2009*

As the Ontario government's province-wide consultations for a comprehensive provincial housing plan open the first of three sessions in Toronto this evening, here are three housing facts to consider:

**Highest housing costs:** Ontario has the highest housing costs of any province (median household shelter costs of \$10,878, according to Statistics Canada). For instance, One in every three Toronto households spends 30% or more of their income on housing – the worst record among metropolitan areas across Canada. High housing costs for low, moderate and middle-income households means less money for other necessities such as food, medicine, energy, childcare, transportation, clothing, education... High housing costs are the single biggest reason why more than one million people were forced to line-up at Toronto's food banks last year (Source: Daily Bread Food Bank).

**Lowest provincial investment:** Ontario has the worst record among all the provinces in terms of affordable housing investments. In the fiscal year ending March 31, 2009, **Ontario spent \$64 per capita on affordable housing, about half the provincial average of \$115 per person** (source: Wellesley Institute calculation based on Statistics Canada Government Revenue and Expenditures database). At the head of the provincial pack are Saskatchewan (\$214 per capita – almost three and one-half times greater than Ontario), Nova Scotia (\$175) and Alberta (\$154). On March 12, 2009, the Alberta government announced a \$3.2 billion, 10-year housing plan. Ontario's housing plan is not expected until late 2010 or 2011.

**Biggest municipal downloading:** Ontario, more than any other Canadian province, downloaded the cost of affordable housing to local government. In the most recent fiscal year, the provincial government invested \$829 million in affordable housing – only two-thirds of the \$1.3 billion invested by municipalities (source: Statistics Canada Government Revenue and Expenditures database). Cash-strapped Ontario municipalities have limited revenues sources (mostly property taxes, grants from senior governments and fees), which means that there's little ability on the part of municipal governments to grow housing investments to meet the growing housing needs across the province.

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**The Housing Network of Ontario has an on-line hub at [www.stableandaffordable.com](http://www.stableandaffordable.com) with detailed information about the Ontario housing consultations. The official Ontario government consultation site is [housingstrategy.mah@ontario.ca](mailto:housingstrategy.mah@ontario.ca)**

\* **Acceptable Housing and Core Housing Need (CMHC)** The term **acceptable** housing refers to housing that is adequate in condition, suitable in size, and affordable. **Adequate housing** does not require any major repairs, according to residents. **Suitable** housing has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabiting adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a bedroom. A household of one individual can occupy a bachelor unit (i.e. a unit with no bedroom).

**Affordable** housing costs less than 30% of before-tax household income. For renters, shelter costs include rent and any payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services. **A household is in core housing need if its housing does not meet one or more of the adequacy, suitability or affordability standards and it would have to spend 30% or more of its before-tax income to pay the median rent of alternative local market housing that meets all three standards.**