

# **BIG PROBLEMS NEED BOLD SOLUTIONS**

**An ambitious model for solving Ontario's most pressing housing needs**



**ONPHA**

## SECTION 1: OVERVIEW OF THIS REPORT

### 1.1 Housing and quality of life in Ontario

Acceptable housing is a foundation for a decent, productive life. It plays a vital role in the success of every community. Ontario is a prosperous province with a vibrant economy, and the majority of Ontario homes meet three standards of adequacy: physical condition (the home does not need major repair), size is suitable for family structure, and affordability.

Unfortunately, hundreds of thousands of Ontario homes fail to meet at least one of the three standards of adequacy, and the household cannot afford to rent adequate alternative housing. Inadequate housing threatens health and safety, children's school performance, and adult productivity. The result stresses Ontario's public services and economy and limits individual potential.

A household that lives in a home that is too small, unaffordable or needs major repair, and cannot afford to rent alternative housing in their community can be described as living in Core Housing Need. After three consecutive years of living in Core Housing Need, the household could be described as living in a state of Persistent Core Housing Need. At its extreme, we cannot overstate the impacts of problems with housing and homelessness on individuals, the economy, and public services.

Roughly five per cent of Ontario's population accesses social housing programs. An increasing amount of this social housing stock requires repair to keep it livable. Some units are simply uninhabitable. Currently, there is a capital repair backlog for social housing. Ontario needs greater ongoing financial investment to both maintain the stock and address the capital repair backlog. Without this investment, the health, safety, and wellbeing of families who live in social housing is at risk.

### 1.2 How this report came about

ONPHA's annual research publications, *Where's home?* and *The Waiting Lists Survey Report* have documented the growing demand for affordable housing in Ontario. Despite recent, modest investment in the province's housing system, all levels of government have failed to keep pace with the needs of Ontarians and the sector. Years of underinvestment in the housing system have had serious consequences on the lives of Ontario families struggling with unaffordable housing and the social housing sector.

The scope of need for affordable housing in Ontario and the amount of investment required demands a strategy – a road map that stakeholders can follow to a shared vision for the future. It will take creativity and political will to catch-up on years of inadequate investment and a commitment to the sector to yield the benefits and opportunities that affordable homes can offer.

In mid-2013, we commissioned an independent consulting firm, SHS Consulting Inc., to research housing need in Ontario. Over six months, they:

- defined the most pressing challenges in Ontario over the coming ten years
- reviewed the research literature on housing policy
- gathered economic and demographic data on Ontario households and housing
- identified how many households face these challenges
- projected need, availability, and costs by housing type and location, over the next ten years
- identified the most promising and efficient answers for these challenges
- developed an algorithm to assess what kind of assistance to apply to market conditions in different communities across Ontario
- proposed a model to resolve Persistent Core Housing Need and homelessness in the province.

This report and its recommendations are the result of that research.

### 1.3 What this report concludes

Our research shows that Ontario's most pressing housing challenges are:

1. Persistent Core Housing Need
2. Homelessness
3. The social housing capital repair backlog

This report focuses on how we could lift Ontarians out of Persistent Core Housing Need and homelessness.<sup>1</sup> Using a number of proven policy tools, the report outlines an ambitious ten-year plan to eliminate Persistent Core Housing Need and homelessness<sup>2</sup> in the province. It also offers a solution to the social housing capital repair backlog. A series of appendices give supporting detail for our methods and analysis.

Our model calls for an investment of \$1.3 billion per year—equal to 1 per cent of the current Provincial budget.<sup>3</sup> This is a total of \$13 billion, delivered over ten years, to assist all households living in Persistent Core Housing Need and homelessness and to repair the existing social housing stock. All levels of government must be involved to achieve this level of investment.

We also suggest an innovative investment option to manage the capital repair backlog: a securitized loan fund in the form of bonds or debentures backed by individual mortgages. This funding tool would reduce strain on government resources. This report also details financial benefits to the province from these programs and investment.

***“Our model calls for an investment of \$1.3 billion per year—equal to 1 per cent of the current Provincial budget.<sup>3</sup> This is a total of \$13 billion, delivered over ten years, to assist all households living in Persistent Core Housing Need and homelessness and to repair the existing social housing stock.”***

<sup>1</sup> By definition, Core Housing Need can include households that rent and own their home. It is possible for someone to own their home and, because of a limited income, be considered to be Core Housing Need. Because these households could sell their homes and move into units that are affordable, they were excluded from our analysis. Homeowners who have a mortgage for their home are included.

<sup>2</sup> This report considers only the housing solutions required. However, for some households, support services or accessibility modifications are essential components of achieving adequate housing.

<sup>3</sup> Based on 2013-14 Government of Ontario expenditures estimates: Ontario Ministry of Finance, “The Ministry of Affairs and Housing – The Estimates 2013-14,” (Toronto: Queen's Printer of Ontario, 2013).

## SECTION 2: UNDERSTANDING THE PROBLEM

### 2.1 Defining households in need

Appendices 1, 2, and 3 detail methodology to assess the numbers of households who will need assistance over the next ten years. Generally, we adjusted available current figures to more precisely identify the number of households in Persistent Core Housing Need now and over time. Our data found 178,000 Ontario households in this category.

Original data was grouped by service manager area. This report presents the data province-wide.

### 2.2 Affordability is the biggest problem

In Ontario, more than one in seven households is in Core Housing Need, and one in three renter households are in Core Housing Need.<sup>4</sup> Households cycle in and out of Core Housing Need. Many find a way out on their own. But those in Persistent Core Housing Need need help to change their situation,<sup>5</sup> as do homeless households. Our model focuses on intractable, ongoing housing challenges—Persistent Core Housing Need and homelessness—because these are the problems that continue without government help.

The most common issue among households in Core Housing Need is affordability. Seventy-one per cent of households in Core Housing Need pay 30 per cent or more of their gross income for shelter, a percentage that is considered unacceptable. For this group, this is their only housing issue. Another 11 per cent face both affordability and suitability issues, meaning their homes are neither affordable nor a suitable size for their families. Seven per cent have homes that are neither affordable nor adequate to live in. One per cent face all three problems.

***“The most common issue among households in Core Housing Need is affordability. Seventy-one per cent of households in Core Housing Need pay 30 per cent or more of their gross income for shelter, a percentage that is considered unacceptable.”***

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<sup>4</sup> SHS Consulting using statics from CMHC (Census-based housing indicators and data).

<sup>5</sup> Households in Core Housing Need for less than three years in a row may also need assistance. However, this research focuses on only most-pressing cases of need.

## SECTION 3: FINDING A LASTING SOLUTION

### 3.1 Expanding policies we already know are effective

In this section, we examine the types of assistance that best address the causes of Persistent Core Housing Need and homelessness. Housing solutions in each community depend on the local housing market. For example, how available rental units are determines whether a community needs new construction or new rent supplements to make existing units affordable.

In most communities, demand-side (subsidies to assist households with shelter costs) and supply-side responses (new rental housing) are needed. The research shows a mix of the following policy interventions most efficiently addresses Persistent Core Housing Need and homelessness:

- an ongoing housing benefit
- new rental housing geared to tenants incomes
- homeownership assistance
- rental rehabilitation assistance
- ownership housing rehabilitation assistance

These policies are neither exotic nor untested—all of them have a history of proven results. We simply propose to expand the scope to meet the breadth of Ontario's urgent housing challenges.

### 3.2 Meeting demand-side need

Benefits paid directly to the household (sometimes referred to as a housing benefit or housing allowance) effectively address affordability issues.<sup>6</sup> For most households, a housing benefit is preferable to social housing or rent subsidies paid directly to the landlord.<sup>7</sup> The cost to address affordability issues for low income households through a housing benefit is also considerably lower than it is to develop new, affordable rental housing.<sup>8</sup>

Ownership assistance is another proven strategy that addresses affordability issues in smaller communities with lower purchase prices (as well as lower assistance amounts) and fewer rental options.<sup>9</sup> Finally, renovation assistance for major repairs addresses issues of adequacy.<sup>10</sup>

### 3.3 Meeting supply-side need

However, most communities need new affordable rental housing as well.<sup>11</sup> And in some communities, the need for new rental housing is substantial. This need applies to both people in housing need who require subsidized accommodations and the general rental market, which has been underserved in recent decades.<sup>12</sup>

<sup>6</sup> Steele, Marion & Peter Tomlinson, "Supply-side Measures to Reduce Renters' Affordability Problems: Identifying the Pros and Cons of Alternative Measure," (Calgary: University of Calgary, 2009); Steele, Marion and Francois Des Rosiers, "Building Affordable Rental Housing in Unaffordable Cities: A Canadian Low Income Housing Tax Credit," C.D. Howe Commentary No. 289., (Toronto: C.D. Howe Institute, 2009).

<sup>7</sup> Nevertheless, social housing still plays an important and distinct role. Social housing would be preferable to some households for the physical security, assured quality, and security of tenure it provides.

<sup>8</sup> Ontario Non-Profit Housing Association, "Rebuilding the Foundations: ONPHA's Vision for a More Effective Affordable Housing System in Ontario," (Toronto: ONPHA, 2009).

<sup>9</sup> Ontario Non-Profit Housing Association, 2009. While homeownership assistance is typically only an efficient approach to addressing serious housing need in lower priced markets, there is an urgent need for more moderately priced ownership housing accessible to moderate income earners in higher priced markets. This need, separate and apart from Ontario's most pressing housing challenges, can be met through various affordable ownership models.

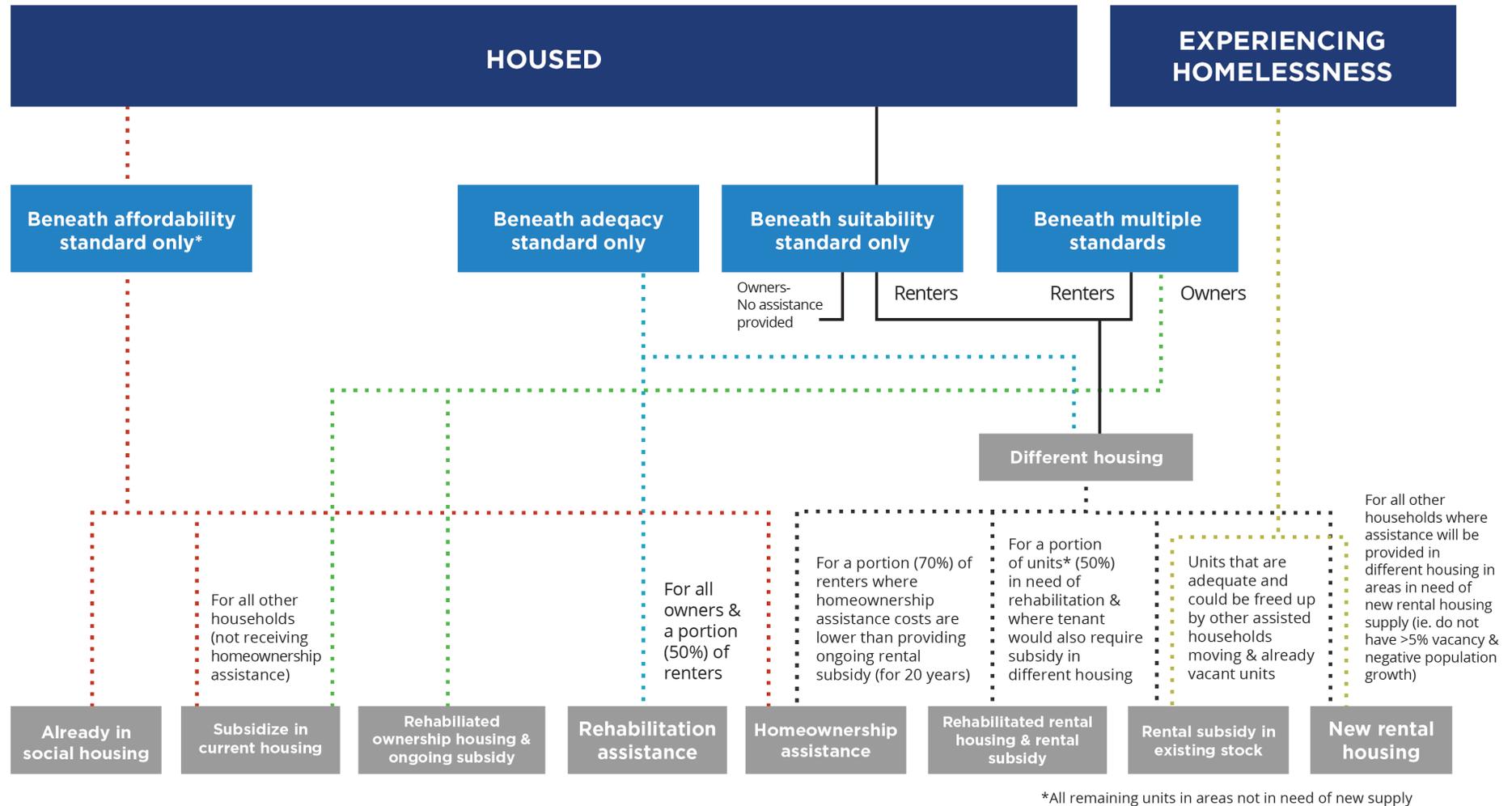
<sup>10</sup> Canada Mortgage and Housing Corporation, "Residential Rehabilitation assistance Program Evaluation," (Ottawa: CMHC, 2003).

<sup>11</sup> See: Pomeroy, Steve, "Invest or Subsidize: Comparative Subsidy Cost on Non-Profit and Private Market Units in Ottawa 1975-2004," (City of Ottawa: 2005). While the solutions suggested in this report relate specifically to addressing the housing issues of households in Persistent Core Housing Need or experiencing homelessness, in many communities rental supply programs for units with higher rents, or even 80% of average market rent, are also needed, and could reduce the crowding out of lower income households. Regarding how new rental housing should be delivered, some research suggests that the tax system and low-income housing tax credits (LIHTC) are more favourable than capital grants as a means of producing new rental housing. See: Steele, Marion and Francois Des Rosiers, 2009. However, it is likely that there could be room for both a grant program for supply and a LIHTC program. . Given that a LIHTC doesn't currently exist in Ontario (or in Canada), the literature suggests that it would likely be best to rely on expanding capital grants and then experiment with an LIHTC. This work assumes only a capital grant model.

<sup>12</sup> York Region has been particularly active in work aimed at stimulating supply in the rental market. See: Human Services Planning Board of York, "Make Rental Happen: Creating the Conditions to Build Private Market Rental Housing," (York Region: HSPB-YR: 2013).

### 3.4 How the research assessed need by household

The following algorithm outlines when and where each type of assistance would apply to households in need. The algorithm asks a series of questions about families' needs and their local housing market to identify the most efficient solutions. Appendix 1 gives a full explanation of this algorithm.



### 3.5 Most households could stay in their homes

The algorithm results reveal that the vast majority of households in Persistent Core Housing Need could remain in their current housing. This is because most of them struggle with affordability issues only.

Some households with adequacy issues could also remain in their existing housing with rehabilitation subsidies.<sup>13</sup> The proposed model would also offer rehabilitation assistance to landlords leasing affordable units (more on this below).

### 3.6 Some households would have to move

To find adequate housing, some households will have to move:<sup>14</sup>

- Households in communities that lack affordable rental housing would need to move to new rental housing geared to their income.
- Homeless individuals and families would need permanent rental housing geared to their income.
- Renters whose housing requires major repairs would need to move if their landlord did not participate in a rental rehabilitation initiative.
- If the costs of owning a home are lower than rental subsidy over 20 years, programs to help household move into their own home would be effective.<sup>15</sup>

As noted, the algorithm produces different results based on community need for new rental housing. In communities with more available rental housing, the primary focus is on rent supplements and repairing units.<sup>16</sup> In communities with lower vacancy rates (below five per cent), the focus is on producing more rental housing.<sup>17</sup>

### 3.7 Concrete solutions and associated costs

As noted in Section 2.1, we estimate that 178,000 households will require assistance between 2014 and 2024. These households do not currently receive any form of housing assistance from government.

To lift Ontarians in Persistent Core Housing Need out of Core Housing Need and to find housing for the homeless between 2014 and 2024:<sup>18</sup>

- 142,000 households would receive ongoing housing benefits
- 27,000 new rental housing units that are geared to the tenant's income would be created<sup>19</sup>
- 6,000 households would receive homeownership assistance
- 4,000 rental units would receive rental rehabilitation assistance
- 4,000 ownership units would receive rehabilitation assistance

We estimate that it would cost \$11 billion (in today's currency) to end Persistent Core Housing Need and homelessness in Ontario over a ten-year period.<sup>20</sup>

<sup>13</sup> This report does not contemplate assistance to address suitability issues (i.e. not enough bedrooms) of owners, as it was assumed that they have other alternatives, such as leveraging the equity in their home to add another bedroom, purchasing another home of appropriate size, or renting housing of appropriate size.

<sup>14</sup> Some of the households who have to move could be accommodated in existing rental units in the community that are vacant or freed up by other assisted households moving to other units. It was assumed that up to 25% of the vacant units are adequate and could be used to assist households.

<sup>15</sup> The level of assistance was calculated based on the capacity to pay at what is defined as affordable and a house price of 10% below the average resale price in the community. Assumed take-up was 70% of eligible households.

<sup>16</sup> Where it is offered, assumed take-up of this rental rehabilitation assistance is 50% of eligible units. Tenants in or who move to these units would still be provided with an ongoing housing benefit.

<sup>17</sup> In communities with vacancy rates below 5%, new affordable rental housing would be built for households living in unaffordable and inadequate rental housing. In communities with vacancy rates above 5%, rehabilitation assistance and rent supplements would be offered in such situations. The reason for this is that these communities have a lesser need for additional rental housing stock.

<sup>18</sup> The household figures for forms of assistance distributed sum to more than the 178,000 households. This is because some households require multiple forms of assistance to exit persistent Core Housing Need, for example, they may live in housing that is too expensive and in need of major repair

<sup>19</sup> Previous ONPHA research has identified the need for 10,000 new purpose-built rental units per year to meet general demographic demand in Ontario. This study on addressing the needs of households with the province's most pressing housing challenges does not alter our analysis of what is required to serve the general rental market. The need for new rental units geared to tenants' incomes identified in this report can be viewed as sub-set of the general need for rental housing we have profiled elsewhere. See for example: Ontario Non-Profit Housing Association, "Where's Home 2013: Looking Back and Looking Forward at the Need for Affordable Rental Housing in Ontario," (Toronto: ONPHA, 2013).

<sup>20</sup> Costs related to the ongoing housing benefit would continue beyond the 10-year period used in this analysis, viewed as sub-set of the general need for rental housing we have profiled elsewhere. See for example: Ontario Non-Profit Housing Association, "Where's Home 2013: Looking Back and Looking Forward at the Need for Affordable Rental Housing in Ontario," (Toronto: ONPHA, 2013).

The estimated costs for each form of assistance are:

**TABLE 1:** Ten-year cost to lift every Ontarian in Persistent Core Housing Need out of Core Housing Need and house all homeless Ontarians between 2014 and 2024 (Today's \$)

FORM OF HOUSING ASSISTANCE	Ten-year cost (2014 CAD)
Ongoing housing benefit	\$4,146,800,000
New rental housing	\$5,864,700,000
Homeownership assistance	\$840,300,000
Rental rehabilitation assistance	\$122,800,000
Ownership rehabilitation assistance	\$66,500,000
<b>Total</b>	<b>\$11,041,000,000</b>

SOURCE: SHS Consulting Inc

Note: Details on the cost assumptions used in these calculations in Appendices 1 and 2.

This \$11 billion investment over ten years, \$1.1 billion per year, is equivalent to .086 per cent of total, current yearly spending by the Province. While a cost of \$11 billion is notable, most households needing rent supplements would require less than an average of \$3,000 per year.

### 3.8 Social housing needs capital investment

This section looks at the capital repair backlog in non-profit and co-operative housing, and methods to meet existing repair needs. Current non-profit and co-operative housing need repairs to continue to be viable places to live. Some of these capital repairs have been needed over years—the result of ongoing shortfalls in capital reserve contributions. This is the third most urgent housing problem in the province.

A true solution must resolve the current backlog as well as prevent a new backlog. We believe it is essential for Ontario to recognize social housing as infrastructure, and include it in the Province's long-term investment planning.

### 3.9 How big is the backlog?

Data about the capital investment needed by the sector is not as rich or available as the data on housing needs of Ontario households, but we discuss several sources for figures below.

The capital shortfall, or backlog, in non-profit and co-op housing is estimated to be greater than \$1.2 billion and may be as high as \$2.6 billion when federal and provincial subsidies end. Government subsidies end at the expiry of the operating agreement between government and the housing provider. At the expiry of the operating agreement, the housing provider's mortgage is paid and subsidies to assist with capital and other costs are phased out.

The most recent research on the capital shortfalls of social housing units found an average capital shortfall of \$10,000 per unit at the expiry of the operating agreement.<sup>21</sup> Applied to the more than 267 000 social housing units in Ontario, this would mean a shortfall of \$2.6 billion across the province.<sup>22</sup> If we consider only the units that are anticipated to have a capital shortfall, the per unit estimate increases to \$32,000. Data was not available on the capital position of all units. However, if we apply the percentage of those assessed that would have negative capital positions at the expiry of their operating agreement, we estimate just over one-third (34%) of units would have a shortfall.

One data set estimated the total shortfall at \$1.215 billion as of 2012 (or \$4,670 per unit). However, this estimate excludes the impact of the Social Housing Renovation and Retrofit Program funding.<sup>23</sup> A third analysis estimated backlog as higher than the \$1.215 billion figure.<sup>24</sup>

<sup>21</sup> Refact Consulting, "Social Housing End Dates in Ontario: Assessing Impacts and Promoting Good Practices," (Toronto: Housing Services Corporation, 2012).

<sup>22</sup> Assuming that the 51% of units that did not have sufficient data to assess the capital position at EOA are on average reflective of those where data was available.

<sup>23</sup> Steward Pearson, "Financing Capital Improvements and the Renovation of Social Housing in Ontario," (Toronto: Housing Services Corporation, 2010).

<sup>24</sup> Refact Consulting, 2012.

A recent City of Toronto report estimates that Toronto Community Housing's capital backlog alone is \$862 million.<sup>25</sup> These numbers represent only the backlog, not total projected need moving forward. Estimates for Toronto Community Housing alone equal a total capital need of \$2.6 billion between 2016 and 2022.

### 3.10 Repairing social housing and keeping it in good repair

The numbers above give us a sense of the costs to address the capital repair backlog. Responding to this urgent need in addition to the needs of the homeless and those living in Persistent Core Housing Need would require funding more than the \$11 billion proposed for those issues. If the province increased its annual investment from .086 per cent to 1 per cent, this would generate an additional \$2.04 billion over ten years. These additional funds could be used to address the capital repair backlog in Ontario.

New capital grants or operating subsidies for major capital repairs are a significant outright investment. A securitized loan fund could reduce costs by using the value of social housing assets and governments financial clout to leverage financing at affordable rates. Such a fund could be employed along with a social housing renovation and retrofit grant program to more cost-effectively address the capital repair backlog. See Appendix 3 for more details on this option.

***“If the province increased its annual investment from .086 per cent to 1 per cent, this would generate an additional \$2.04 billion over ten years. These additional funds could be used to address the capital repair backlog in Ontario.”***

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<sup>25</sup> City of Toronto, “A Ten-Year Capital Financing Plan for Toronto Community Housing,” (Toronto: City of Toronto, 2013), accessed from <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX35.4>.

## SECTION 4: MAKING OUR MODEL A REALITY

### 4.1 Total investment, policy implications, and impact

The total cost for our model, which ends Persistent Core Housing Need and homelessness in Ontario while, simultaneously, addressing the capital repair backlog in social housing is estimated at just over \$13 billion per year over 10 years: \$1.3 billion per year. This investment would be equivalent to one per cent of total current yearly expenditures by the Province.

TABLE 2: Total cost of eliminating Ontario's most pressing housing challenges

AREA OF EXPENDITURE	Ten-year cost (2014 CAD)
Persistent Core Housing Need and homelessness	\$11,041,000,000
Social housing capital repair backlog	\$2,050,000,000
<b>Total</b>	<b>\$13,091,000,000</b>

The scale and cost of Ontario's housing challenges is the result inadequate years of investment and, while ambitious, this investment model is not unreasonable. We cannot overstate the social and economic benefits of resolving these most pressing housing challenges.

### 4.2 Our model in context

Most housing in Ontario is, to some extent, the product of government assistance. Mortgages are widely available to the middle class because

of government-backed insurance. Most privately owned apartment buildings exist because of tax incentives that spurred their creation. Directly or indirectly, all Ontarians benefit directly from government investment in housing.

Ontario has established local responsibility for housing and homelessness. The Province has asked local governments to produce housing and homelessness plans, which they have worked diligently to do. These plans require sustained funding to be effective. This housing assistance model proposes injecting resources into Ontario's Long-Term Affordable Housing Strategy. Funds could be dispersed as they are with the Investment in Affordable Housing Program or the Community Homelessness Prevention Initiative—with local governments making ultimate investment decisions.

The research suggests a specific mix of policy instruments can address Ontario's housing challenges, but ultimately, decisions on how to address housing need—whether to use a rent supplement or build new affordable housing—are best made at the local level.

Also note that the federal government is a core funder in Canada's housing system. While Ontario and most other provinces have signed agreements with the federal government that identify that primary responsibility for social housing is provincial, the federal government is uniquely positioned to lead investments that will improve the housing situation of Canadians. We support Ontario's efforts to engage the federal government in renewed federal investment, but also believe Ontario is positioned to and must act independently as well.

### 4.3 Investments yield significant financial benefits

While the cost to address Ontario's most pressing housing challenges is significant, we estimate this spending will generate \$22 billion in total economic activity.<sup>26</sup> Construction of new rental housing alone will create

<sup>26</sup> Based on federal estimates of expenditure multipliers (1.7 times) for its Economic Action Plan measures for low-income households and the unemployed. See: Department of Finance Canada, "Canada's Economic Action Plan - A Seventh Report to Canadians," (Ottawa: Government of Canada, 2011), accessed from <http://www.fin.gc.ca/pub/report-rapport/2011-7/ceap-paec-a-eng.asp>.

over 39,300 jobs in Ontario<sup>27</sup> — this does not include those employed by housing providers once the units are in operation. Likewise, rehabilitation assistance will create roughly 1,270 jobs.

New rental housing taxes will generate \$260 million in HST (net of rebates), and annual property taxes of \$75 million.<sup>28</sup>

Housing assistance also generates a wide range of social benefits that are difficult to measure. Individuals who receive assistance will benefit from improved health as a result of stable housing in good condition.<sup>29</sup> They will also see improvements in education, skills development, and employment.

#### 4.4 Conclusion

Affordable housing plays a vital role in the success of every Ontario community. It is an investment that reduces poverty, creates jobs, and helps to ensure the long-term success and prosperity of our province.

But we cannot measure success by these direct benefits alone. Everyone benefits when the community is adequately housed—through more efficient public services, a more productive economy, and better success in schools. Housing opens doors.

The proposed housing assistance model offers a way for Ontario to move ahead with affordable, secure, stable homes. Addressing Ontario's most pressing housing challenges will benefit us all.

***“Everyone benefits  
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Housing opens doors.”***

<sup>27</sup> Total person years.

<sup>28</sup> Assuming an average property tax rate of 1.5% annually based on a value equal to the cost of developing the housing.

<sup>29</sup> Examples of such research include: J.R. Dunn, “Housing and Health Inequalities: Review and Prospects for Research,” (*Housing Studies* 15, 3: 2000); J.R. Dunn, “Housing and Inequalities in Health: A Study of Socioeconomic Dimensions of Housing and Self-Reported Health from a Survey of Vancouver Residents,” (*Journal of Epidemiology and Community Health* 56, 9: 2002); Wilkinson & Marmot, “Social Determinants of Health Second Edition: The Solid Facts,” (Denmark: World Health Organization, 2003); Health Canada, “Health Policy Research Bulletin: People, Place and Health,” (Ottawa: Health Canada, 2007); CMHC, “Housing Quality and Children's Socioemotional Health,” (Ottawa: CMHC, 2003).

# APPENDIX 1



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## HOW WE ARRIVED AT OUR ESTIMATES<sup>30</sup>

### Estimating core housing need in 2013

Core Housing Need in urban Ontario increased by 2.5% for renters and decreased by 0.4% for owners between 2006 and 2009 (CMHC SLID-based housing indicators and data). Over this period, the unemployment rate increased from 6.3% to 9.0%, incomes rose slightly faster than inflation (4.8% versus 4.5%), there were strong upward pressures on ownership accommodation costs (8.6%), and moderate increases to rental accommodation costs (2.9%).

Since 2009, the unemployment rate has decreased, but is still higher than 2006 levels (7.8% in 2013 versus 6.3% in 2006). From 2009 to 2012, ownership accommodation costs increased by 4.9%, lower than 2006 to 2009 when they increased by 8.6%. Rental accommodation costs increased from 2.9% (2006 to 2009) to 3.7% (2009 to 2012).

Over the long term, Core Housing Need is broadly correlated with economic conditions and in particular the employment situation.

The available data shows it is reasonable to assume the housing need situation in Ontario is currently higher than in 2006, but perhaps not as high as 2009. For our analysis, we assumed only 55% of the increased Core Housing Need between 2006 to 2009 has been maintained to 2013. That gives us an increase of 1.25% for renters and a decrease of 0.2% for owners between 2006 and 2013.

### Estimating the number of homeless families

It is estimated a minimum 28,500 individuals are homeless on any given night in Canada. We considered the percentage of the Canadian population that Ontario represents and arrived at an estimate of 38%

or 10,830 homeless individuals in Ontario.<sup>31</sup> Families represent only 4% of these individuals. Conservatively assuming a family is two individuals gives us a minimum of 10,397 homeless families in Ontario. A count of homeless people in Toronto in 2013 found 5,219 homeless individuals.<sup>32</sup> To calculate the cost of assistance, we assumed the remaining households to be distributed across Ontario based on the population of each Consolidated Municipal Service Manager area.

### How we analyzed core housing need data

- We analyzed Core Housing Need data from 2006 and 2009 to estimate the change in Core Housing Need between 2006 and 2013 (described above).
- Using population projections to 2024, we produced estimates of the number of households in each service manager area with combinations of Persistent Core Housing Need issues.
- We subtracted the estimated number of households currently receiving rent-geared-to-income subsidies.
- We estimated the cost of providing housing assistance (Appendix 2).

<sup>30</sup> Our analysis only considers home owners with a mortgage.

<sup>31</sup> Stephen Gaetz et al., "The State of Homelessness in Canada 2013," (Toronto: Canadian Homelessness Research Network: 2013). This estimate includes those that are unsheltered, staying in emergency homelessness shelters, staying in violence against women shelters, provisionally accommodated (homeless but in hospital, prison, or interim housing). The authors note that estimating the number of people who are homeless on a given day in Canada is inherently challenging. The calculation of homelessness they offer is only a ballpark estimate because there is very little reliable data on homelessness either at a pan-Canadian or community level.

<sup>32</sup> City of Toronto, "Street Needs Assessment Interim Report," (City of Toronto, 2013), accessed from [http://www.toronto.ca/housing/SNA2013interim\\_report.htm](http://www.toronto.ca/housing/SNA2013interim_report.htm).

## Ways we can help

A household's circumstances determine the kind of help they need. The table below describes in words the algorithm in the body of this report.

HOUSING SITUATION	TENURE	FORMS OF ASSISTANCE
Affordability only (spend 30% or more on housing costs)	Owners	<ul style="list-style-type: none"> <li>Ongoing subsidy in current housing</li> </ul>
	Renters	<ul style="list-style-type: none"> <li>Some already being subsidized in social housing</li> <li>Homeownership assistance equal to rental payments where homeownership assistance costs are lower than ongoing 20-year rental subsidy. Assume 70% will accept.</li> <li>Remaining households to receive ongoing subsidy in current housing</li> </ul>
Adequacy only (not in adequate repair)	Owners	Rehabilitation assistance (for health and safety improvements)
	Renters	<ul style="list-style-type: none"> <li>Rehabilitation assistance (for health and safety improvements). Assume 50% of eligible units will accept.</li> <li>Remaining households to receive different housing (homeownership assistance, rehabilitated housing and a rental subsidy (scenario 1 only), rental subsidy in existing stock, or new rental housing) (see below)</li> </ul>
Suitability only (not enough bedrooms)	Owner	<ul style="list-style-type: none"> <li>No assistance. Assume they have other alternatives (leveraging equity to add another bedroom, purchasing or renting another home of appropriate size)</li> </ul>
	Renters	<ul style="list-style-type: none"> <li>Different housing (see below)</li> </ul>
Affordability and adequacy	Owner	<ul style="list-style-type: none"> <li>Rehabilitation assistance (for health and safety) and ongoing subsidy in current housing</li> </ul>
	Renters	<ul style="list-style-type: none"> <li>Different housing (see below)</li> </ul>

HOUSING SITUATION	TENURE	FORMS OF ASSISTANCE
Affordability and suitability	Owner	Ongoing subsidy in current housing (no assistance for suitability issues)
	Renters	Different housing (see below)
Adequacy and suitability	Owner	Rehabilitation assistance (for health and safety) (no assistance for suitability issues)
	Renters	Different housing (see below)
Affordability, adequacy, and suitability	Owner	Rehabilitation assistance (for health and safety) and ongoing subsidy in current housing (no assistance for suitability issues)
	Renters	Different housing (see below)
Homelessness	N/A	Different housing (see below)

## Forms of help for renter households

### **Homeownership help**

We would offer this to households where homeownership assistance costs are lower than an ongoing rental subsidy for 20 years.

Homeownership payments would be equivalent to rental payments. We assume 70% would accept this help.

### **Ongoing subsidy**

We would offer this where vacant units are in good repair. Some units become vacant when assisted families move. We assumed up to 25% of vacant units are in good repair.

Rehabilitation help for health and safety. We would offer this in communities with higher vacancies (up to 50% of units) where the current tenant cannot afford to rehabilitate the housing. The household would receive an ongoing subsidy.

New rental housing. We would develop new housing for all other households in areas that need new rental housing supply (those that have less than 5% vacancy and negative population growth).

# APPENDIX 2



ONPHA

## ASSUMPTIONS USED TO CALCULATE THE COST OF ASSISTANCE

### Ongoing subsidy

The cost of ongoing subsidies and housing benefits is based on the median affordability gap for households of the given unit size in given income ranges by service manager area. Based on actual change in affordability gap for urban areas between 2006 and 2009 and inflation for beyond that, we assumed the affordability gap increased by 45% for renters and 14% for owners (see Appendix 5 for 2006 affordability gap figures by service manager area).

### Rehabilitation assistance

Assistance levels were based on those used in the former RRAP program:

	NORTH	SOUTH
Ownership	\$19,000	\$16,000
Rental	\$28,500	\$24,000

### Homeownership assistance

We assumed a house price 10% below the average resale house in the service area (2011 data) and housing costs of 30% of household income, including mortgage payment at an interest rate of 4.59% and property taxes of 0.125% of the house price.

### New rental housing

We assumed capital assistance sufficient to develop housing and rent at rates affordable to the target households. SHS Consulting estimated the costs to develop a one bedroom unit in four different regions of the province based on their affordable rental housing development consulting experience.

REGION	Capital costs for one-bedroom unit*
Central	\$250,000
Western**	\$180,000
Eastern	\$200,000
Northern	\$175,000

\*net of HST rebate

\*\*also includes Simcoe and Muskoka

We added a premium percentage to develop other unit sizes:

UNIT SIZE	Premium percentage over one-bedroom unit
Two-Bedroom	10%
Three-Bedroom	20%
Four+ Bedroom	30%

Operating cost assumptions were based on CMHC mortgage insurance guidelines as follows:

OPERATING COST ITEM	Cost
Vacancy expense	3% of rental revenue
Property taxes	\$1,000 per unit
Insurance	\$150 per unit
Heating	\$725 per unit
Hydro	\$675 per unit
Water and sewer	\$300 per unit
Maintenance and repair	\$750 per unit
Wages	\$350 per unit
Management fees	5% of rental revenue
Replacement reserve	4% of rental revenue

Mortgage assumptions were:

MORTGAGE TERMS	Assumption
Debt Coverage Ratio	1.2
Mortgage Rate	4.8%
Amortization Period	35 years

# APPENDIX 3



ONPHA

## HOW WE REACH THE FIGURE OF 178,000 ONTARIO HOUSEHOLDS NEEDING ASSISTANCE OVER THE NEXT TEN YEARS

Almost 630,000 families and households in Ontario were in Core Housing Need in 2006.<sup>33</sup> We can project the 630,000 figure ahead using two calculations:

1. the change in population between 2006 and 2011 based on census figures by service manager area
2. adjusting for changes in the economy<sup>34</sup>

This gives us an additional 57,000 households.

A minimum of 180,000 households currently receive rent geared-to-income (RGI) assistance in Ontario. Some households in receipt of RGI assistance may still be considered to be in Core Housing Need because of the way assistance is calculated.<sup>35</sup> We subtracted this number because the housing assistance needs of this group are largely addressed. That leaves 507,000 families in Core Housing Need.

We added 93,000 to the 507,000 figure to project the number of households to 2024. We based our projection on Ministry of Finance population growth estimates. This brings us to 601,000 households in Core Housing Need.

Then we subtracted owner-households that only have suitability challenges (too few bedrooms for the size of the family) and homeowners that do not have a mortgage. We reasoned that most homeowners could address their challenges by using their home equity or by selling their home. That left us with a total of 598,000 in Core

Housing Need by 2024.

The next step was to determine how many of the projected number of households in Core Housing Need by 2024 would likely be in Persistent Core Housing Need. The ratio of households in Persistent Core Housing Need to all households in Core Housing Need for urban Ontario from 2005-2007 was 27%. At this percentage, there would be 168,000 households in Persistent Core Housing Need by 2024.<sup>36</sup>

We added 10,000 homeless households to this figure, based on a national survey of homelessness.<sup>37</sup> Appendix 1 shows this calculation.

A final figure of families needing acceptable housing by 2024 is 178,000. The table below summarizes these steps.

### Summary of steps to identify households in need

In Core Housing Need in 2006	630,000
In Core Housing Need in 2013 (projected)	687,000
Subtracting minimum number of RGI recipients	507,000
In Core Housing Need in 2024 (projected, with RGI recipients removed)	601,000
Removing homeowners with suitability issues only	598,000
Narrowing to Persistent Core Housing Need and removing homeowners in Core Housing Need who do have a mortgage	168,000
<b>Adding homeless households</b>	<b>178,000</b>

<sup>33</sup> At the time of writing this report, 2011 data on Core Housing Need was not yet available.

<sup>34</sup> Over the long term, Core Housing Need is broadly correlated with economic conditions, see: Jim Dunning. "Dimensions of Core Housing Need in Canada Second Edition." *The Cooperative Housing Federation of Canada*, (Toronto: Cooperative Housing Federation of Canada, 2009). While economic conditions have improved since 2009, they have not fully recovered to 2006 pre-recession levels. As a result, we estimate Core Housing Need has increased by 1.25% for renters and decreased by 0.2% for owners between 2006 and 2013. See Appendix 1 for additional details.

<sup>35</sup> The affordable housing standard is that shelter costs are less than 30% of before-tax household income. Households receiving subsidized rents generally pay rent that is equivalent to 30% or slightly more of their before-tax household income, and would be considered in Core Housing Need. Our analysis, however, removes these households from the households in need of additional assistance, as their needs have substantially been met.

<sup>36</sup> Also included in this step was the removal of owner households in persistent Core Housing Need who do not have a mortgage. All told, 14% of owners in Core Housing Need were both persistently in Core Housing Need and had a mortgage (resulting in them being left in the analysis).

<sup>37</sup> Stephen Gaetz et al., "The State of Homelessness in Canada 2013," (Toronto: Canadian Homelessness Research Network Press, 2013).

# APPENDIX 4



## FEATURES OF A SECURITIZED LOAN FUND

Stewart Pearson (cited in the body of this report) recommends creating a fund for social housing capital investment. The fund would comprise a series of bonds or debentures secured by individual mortgages and funding support agreements by service managers and the Province. The bonds would aggregate the capital needs for various terms and purposes. A securitized loan fund could generate between \$1.4 and \$5.4 billion in funding for capital repairs.

Because a securitized loan fund would require the least direct financial contributions from government, government may prefer it to help eliminate the capital repair backlog. However, a securitized loan fund might not meet all the capital needs, as the amount of funding a project would qualify for would depend on existing mortgage payments and the terms of the new loan. Even if there was a securitized loan fund, some projects will likely need additional funding in the form of a grant.

Pearson estimates the total issuance under a securitized loan fund would likely exceed the \$1.2 billion shortfall estimate. Based on data available to him at the time, he calculated that new money to be raised could range from \$1,451,000,000 (at 5% interest and a 20-year amortization term) to \$5,495,000,000 (3.5% interest and a 30-year amortization).

# APPENDIX 5



## CORE HOUSING NEED STATISTICS

### Core Housing Need in Ontario, by housing tenure, 2006

HOUSING SITUATION	OWNERS	RENTERS	TOTAL
Households	3,109,700	1,209,450	4,319,145
Number in Core Housing Need	228,905	398,625	627,535
% in Core Housing Need	7%	33%	15%
Average affordability gap per Core Housing Need household (yearly)	\$1,960	\$2,364	\$2,200

SOURCE: SHS Consulting using CMHC census-based housing indicators and data

### Core Housing Need in urban areas in Ontario, by housing tenure, 2006 and 2009

HOUSING SITUATION	OWNERS		RENTERS		TOTAL	
	2006	2009	2006	2009	2006	2009
Households	2,850,375	2,942,359	1,188,501	1,272,455	4,038,876	4,214,814
Number in Core Housing Need	226,873	224,244	359,738	417,758	586,611	642,002
% in Core Housing Need	8.0%	7.6%	30.3%	32.8%	14.5%	15.2%
Average affordability gap per Core Housing Need household (yearly)	1,812	1,955	2,674	3,168	2,448	2,620

SOURCE: SHS Consulting using CMHC SLID-based housing indicators and data

### Core Housing Need in Ontario by type of housing issue, 2006

HOUSING SITUATION	OWNERS	RENTERS	TOTAL
Below affordability standard only	180,015	263,135	443,145
Below suitability standard only	6,805	30,215	37,020
Below adequacy standard only	7,825	11,115	18,935
Below affordability and suitability standards	17,175	50,900	68,075
Below affordability and adequacy standards	15,090	31,680	46,770
Below suitability and adequacy standards	565	4,315	4,880
Below affordability, suitability, and adequacy standards	1,440	7,260	8,705
<b>Total in Core Housing Need</b>	<b>228,905</b>	<b>398,625</b>	<b>627,535</b>

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

### Households in Core Housing Need in Ontario by number of bedrooms required and household income, 2006

HOUSING SITUATION		OWNED	RENTED	TOTAL
Zero bedrooms	Less than \$10,000	6,140	18,345	24,485
	\$10,000 - \$19,999	51,720	124,100	175,820
	\$20,000 - \$29,999	16,025	31,300	47,325
	\$30,000 - \$39,999	0	0	0
	\$40,000 - \$49,999	0	0	0
	\$50,000 or more	0	0	0
	<b>Total</b>	<b>73,885</b>	<b>173,745</b>	<b>247,630</b>
One bedroom	Less than \$10,000	1,410	1,195	2,610
	\$10,000 - \$19,999	8,435	12,320	20,745
	\$20,000 - \$29,999	15,230	18,670	33,900
	\$30,000 - \$39,999	3,985	4,060	8,045
	\$40,000 - \$49,999	0	0	0
	\$50,000 or more	0	0	0
	<b>Total</b>	<b>29,065</b>	<b>36,240</b>	<b>65,300</b>
Two bedrooms	Less than \$10,000	1,515	4,455	5,965
	\$10,000 - \$19,999	10,380	36,650	47,030
	\$20,000 - \$29,999	19,770	38,785	58,555
	\$30,000 - \$39,999	17,865	22,410	40,275
	\$40,000 - \$49,999	1,520	1,460	2,975
	\$50,000 or more	0	0	0
	<b>Total</b>	<b>51,050</b>	<b>103,755</b>	<b>154,805</b>

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

**Households in Core Housing Need in Ontario by number of bedrooms required and household income, 2006 (cont.)**

HOUSING SITUATION		OWNED	RENTED	TOTAL
Three bedrooms	Less than \$10,000	1,100	1,450	2,550
	\$10,000 - \$19,999	4,195	12,605	16,800
	\$20,000 - \$29,999	12,050	20,795	32,845
	\$30,000 - \$39,999	18,770	17,855	36,620
	\$40,000 - \$49,999	14,450	9,785	24,235
	\$50,000 or more	0	0	0
<b>Total</b>		<b>50,555</b>	<b>62,490</b>	<b>113,045</b>
<hr/>				
Four or more bedrooms	Less than \$10,000	305	195	505
	\$10,000 - \$19,999	965	1,985	2,950
	\$20,000 - \$29,999	3,110	5,015	8,125
	\$30,000 - \$39,999	5,445	6,210	11,660
	\$40,000 - \$49,999	7,475	5,210	12,680
	\$50,000 or more	7,055	3,775	10,830
<b>Total</b>		<b>24,355</b>	<b>22,395</b>	<b>46,745</b>
<hr/>				
Total	Less than \$10,000	10,470	25,650	36,115
	\$10,000 - \$19,999	75,700	187,645	263,350
	\$20,000 - \$29,999	66,175	114,575	180,750
	\$30,000 - \$39,999	46,060	50,530	96,595
	\$40,000 - \$49,999	23,445	16,450	39,895
	\$50,000 or more	7,050	3,775	10,830
<b>Total</b>		<b>228,905</b>	<b>398,625</b>	<b>627,535</b>

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

### Median Affordability Gap in Ontario by number of bedrooms required and household income, 2006

HOUSING SITUATION		OWNED	RENTED	TOTAL
Zero bedrooms	Less than \$10,000	\$2,626	\$2,727	\$2,697
	\$10,000 - \$19,999	\$1,411	\$1,653	\$1,572
	\$20,000 - \$29,999	\$944	\$1,025	\$997
	\$30,000 - \$39,999	\$0	\$0	\$0
	\$40,000 - \$49,999	\$0	\$0	\$0
	\$50,000 or more	\$0	\$0	\$0
	<b>Total</b>	<b>\$1,504</b>	<b>\$1,376</b>	<b>\$1,571</b>
One bedroom	Less than \$10,000	\$3,068	\$4,725	\$3,674
	\$10,000 - \$19,999	\$2,200	\$3,423	\$2,885
	\$20,000 - \$29,999	\$1,484	\$1,766	\$1,653
	\$30,000 - \$39,999	\$695	\$719	\$701
	\$40,000 - \$49,999	\$0	\$0	\$0
	\$50,000 or more	\$0	\$0	\$0
	<b>Total</b>	<b>\$1,801</b>	<b>\$1,478</b>	<b>\$2,110</b>
Two bedrooms	Less than \$10,000	\$2,892	\$4,618	\$3,669
	\$10,000 - \$19,999	\$3,905	\$5,278	\$4,930
	\$20,000 - \$29,999	\$3,023	\$3,100	\$3,078
	\$30,000 - \$39,999	\$1,302	\$1,344	\$1,322
	\$40,000 - \$49,999	\$145	\$163	\$156
	\$50,000 or more	\$0	\$0	\$0
	<b>Total</b>	<b>\$2,736</b>	<b>\$2,136</b>	<b>\$3,129</b>

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

**Median Affordability Gap in Ontario by number of bedrooms required and household income, 2006 (cont.)**

HOUSING SITUATION		OWNED	RENTED	TOTAL
Three bedrooms	Less than \$10,000	\$3,647	\$6,112	\$4,154
	\$10,000 - \$19,999	\$5,583	\$8,118	\$7,327
	\$20,000 - \$29,999	\$5,613	\$6,086	\$5,935
	\$30,000 - \$39,999	\$3,329	\$3,486	\$3,399
	\$40,000 - \$49,999	\$1,308	\$1,365	\$1,332
	\$50,000 or more	\$0	\$0	\$0
<b>Total</b>		<b>\$3,517</b>	<b>\$2,862</b>	<b>\$4,262</b>
Four or more bedrooms	Less than \$10,000	\$11,384	\$12,413	\$12,114
	\$10,000 - \$19,999	\$8,631	\$12,367	\$11,375
	\$20,000 - \$29,999	\$8,913	\$9,375	\$9,261
	\$30,000 - \$39,999	\$6,611	\$6,747	\$6,701
	\$40,000 - \$49,999	\$4,135	\$4,239	\$4,168
	\$50,000 or more	\$1,423	\$1,512	\$1,438
<b>Total</b>		<b>\$4,455</b>	<b>\$3,810</b>	<b>\$5,352</b>
Total	Less than \$10,000	\$2,825	\$2,945	\$2,899
	\$10,000 - \$19,999	\$1,839	\$2,523	\$2,286
	\$20,000 - \$29,999	\$2,081	\$2,342	\$2,246
	\$30,000 - \$39,999	\$2,089	\$2,040	\$2,062
	\$40,000 - \$49,999	\$1,686	\$1,695	\$1,690
	\$50,000 or more	\$1,423	\$1,512	\$1,438
<b>Total</b>		<b>\$2,200</b>	<b>\$1,960</b>	<b>\$2,364</b>

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

### Persistence of Urban Core Housing Need in Ontario among households in Core Housing Need at least one year of three, 2005-2007

HOUSING SITUATION	OWNERS	RENTERS	TOTAL
Occasionally (one or two years)	76%	64%	73%
Persistently (all three years)	24%	36%	27%

SOURCE: CMHC (SLID-based housing indicators and data)

Note: 59% of owners in Core Housing Need have mortgages, so we have estimated that 14% of owners have a mortgage and are in Persistent Core Housing Need

### Households in Core Housing Need and Median Affordability Gap, by Service Manager, 2006

	OWNERS		RENTERS		TOTAL	
	Households	Affordability gap	Households	Affordability gap	Households	Affordability gap
Ontario	228,905	\$1,960	398,625	\$2,364	627,535	\$2,200
Stormont Dundas and Glengarry	1,560	\$1,135	3,615	\$1,404	5,175	\$1,309
Prescott and Russell	1,315	\$1,572	2,130	\$1,710	3,445	\$1,675
Ottawa	10,670	\$2,095	28,950	\$2,682	39,620	\$2,489
Leeds and Grenville	1,150	\$1,101	2,225	\$1,598	3,375	\$1,371
Lanark	1,015	\$1,385	1,505	\$1,739	2,520	\$1,580
Frontenac	1,985	\$1,419	5,270	\$2,048	7,255	\$1,883
County of Lennox and Addington (incl. Prince Edward Division)	995	\$1,442	1,425	\$1,586	2,425	\$1,484
Hastings	2,160	\$1,258	4,370	\$1,597	6,530	\$1,451

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

### Households in Core Housing Need and Median Affordability Gap, by Service Manager, 2006 (cont.)

	OWNERS		RENTERS		TOTAL	
	Households	Affordability Gap	Households	Affordability Gap	Households	Affordability Gap
Northumberland	1,280	\$1,374	1,400	\$1,537	2,685	\$1,451
Peterborough	2,790	\$1,450	4,205	\$1,806	6,995	\$1,624
Kawartha Lakes Division and Haliburton County	2,425	\$1,507	1,975	\$1,642	4,395	\$1,559
Durham	10,645	\$1,999	11,030	\$2,446	21,670	\$2,220
York	23,535	\$2,573	10,325	\$2,582	33,860	\$2,575
Toronto	61,880	\$2,570	154,185	\$3,289	216,065	\$3,039
Peel	27,610	\$2,489	25,735	\$3,159	53,340	\$2,778
Dufferin	1,110	\$1,848	965	\$2,659	2,075	\$2,035
Wellington	2,665	\$1,624	4,600	\$2,011	7,265	\$1,865
Halton	6,675	\$1,936	6,500	\$2,061	13,175	\$2,005
Hamilton	8,540	\$1,531	19,350	\$2,032	27,885	\$1,878
Niagara	7,340	\$1,151	11,945	\$1,608	19,280	\$1,422
Haldimand-Norfolk	1,445	\$1,258	1,990	\$1,531	3,430	\$1,402
Brant	1,705	\$1,329	3,540	\$1,839	5,250	\$1,636
Waterloo	4,860	\$1,382	12,210	\$1,819	17,070	\$1,701
Perth	855	\$1,300	1,435	\$1,600	2,285	\$1,445
Oxford	890	\$998	1,770	\$1,200	2,655	\$1,088
Elgin	1,270	\$1,426	2,130	\$1,807	3,400	\$1,675
Chatham-Kent	1,680	\$1,332	3,635	\$1,606	5,315	\$1,533
Essex	6,315	\$1,514	11,280	\$2,011	17,590	\$1,836
Lambton	1,495	\$1,386	3,415	\$1,565	4,915	\$1,521
Middlesex	5,335	\$1,389	15,485	\$1,959	20,825	\$1,832

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

### Households in Core Housing Need and Median Affordability Gap, by Service Manager, 2006 (cont.)

	OWNERS		RENTERS		TOTAL	
	Households	Affordability Gap	Households	Affordability Gap	Households	Affordability Gap
Huron	605	\$1,174	1,095	\$1,260	1,695	\$1,258
Bruce	1,020	\$1,056	1,265	\$1,289	2,285	\$1,244
Grey	1,410	\$1,097	2,175	\$1,381	3,585	\$1,226
Simcoe	9,950	\$1,840	9,210	\$2,332	19,155	\$2,070
Muskoka	1,360	\$1,373	1,110	\$1,760	2,465	\$1,490
Renfrew	1,345	\$1,244	2,420	\$1,584	3,770	\$1,494
Nipissing	1,260	\$1,321	3,575	\$1,643	4,840	\$1,519
Parry Sound	1,085	\$1,571	875	\$1,693	1,955	\$1,637
Manitoulin-Sudbury DSSAB	595	\$1,316	725	\$1,030	1,315	\$1,200
Greater Sudbury / Grand Sudbury	1,195	\$1,200	5,120	\$1,560	6,315	\$1,523
Timiskaming	585	\$1,101	880	\$923	1,460	\$964
Cochrane	940	\$1,249	2,540	\$1,263	3,480	\$1,255
Algoma DSSAB	525	\$1,539	1,020	\$1,253	1,545	\$1,319
Sault Ste. Marie DSSAB	980	\$1,301	2,515	\$1,248	3,495	\$1,256
Thunder Bay	1,965	\$1,263	4,060	\$1,426	6,025	\$1,365
Rainy River	325	\$1,737	535	\$1,346	855	\$1,479
Kenora	570	\$1,544	935	\$1,261	1,505	\$1,349

SOURCE: SHS Consulting using stat from CMHC (census-based housing indicators and data)

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