

The Alliance to End Homelessness Ottawa (ATEH) L'Alliance pour mettre un terme à l'itinérance

www.endhomelessnessottawa.ca

MEMBER ORGANIZATIONS OF THE ALLIANCE TO END HOMELESSNESS OTTAWA IN 2012

Action-Logement / Action-Housing
Bruce House
Canadian Mental Health Association –
Ottawa
Centre 454
Centre 507 Drop-In
Centre des services communautaires
/Vanier Community Service Centre
Centre for Research on Educational and
Community Services, University of
Ottawa
Centretown Community Health Centre
City of Ottawa, Housing Services Branch
Community Legal Services Ottawa
Centre
Cooperative Housing Association of
Eastern Ontario
Cornerstone Housing for Women/Le Piliier
Daybreak Non-Profit Shelter
Housing Help
John Howard Society of Ottawa
Minwaashin Lodge/Oshki Kizis Healing
Lodge
Monfort Renaissance
Montfort Renaissance Inc.
Multifaith Housing Initiative
Nepean Housing Corporation
Nepean, Rideau, Osgoode Community
Resource Centre
Operation Come Home
Options Bytown Non-Profit Housing
Corporation
Ottawa Community Immigrant Services
Organization (OCISO)
Ottawa Inner City Health Inc.
Ottawa Inner City Ministries
Ottawa Pastoral Counselling Centre
Ottawa Salus Corporation
Pinecrest-Queensway Community Health
Centre
Royal Ottawa Health Care Group
Sandy Hill Community Health Centre
Shepherds of Good Hope
Somerset West Community Health
Centre
South-East Ottawa Community Health
Centre
St. Joe's Women's Centre
St. Luke's Lunch Club
The Ottawa Mission
The Salvation Army Ottawa Booth Centre
The Well/La Source
Wabano Centre for Aboriginal Health
Western Ottawa Community Resource
Centre
YMCA-YWCA, National Capital Region
Youth Services Bureau of Ottawa

PRESENTATION TO THE ONTARIO STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS, PRE-BUDGET CONSULTATION, IN OTTAWA, MARCH 13, 2013

By Lynne Browne, ATEH Executive Director and Mary-Martha Hale, Member of ATEH Board

Introduction

The Alliance to End Homelessness Ottawa (ATEH) is a non-profit, non-partisan association with 43 member organizations. These members provide emergency shelter, day programs, service and supports for families and individuals who are homeless or live at risk of becoming homeless. They assist people in their search for housing and in accessing health and other services and some members develop and offer new affordable housing. Our members greatly appreciate the essential role that the Province of Ontario plays in the successes they achieve in our community.

The Ontario government is trying to eliminate the deficit and thinks it is important to create jobs and improve services for people. Our recommendations will result in a positive impact on efforts to strengthen the provincial economy. While existing provincial contributions to ending homelessness are valued, there is ever growing frustration with the lack of progress being made towards ending homelessness.

ATEH knows the Ottawa community could effectively end homelessness for individuals and families by meeting four targets in each year of a 10 year period but only if it sees increased investments by the Federal, Provincial and Municipal Governments. ATEH recognises that emergencies like fire, family breakdown, illness, etc. will continue to displace some people temporarily each year. But we could get the number of homeless people down to 2000 from the current 7000+ with full commitment of senior levels of government.

ATEH also believes that the four targets are inter-related. Until there is considerable improvement in low incomes and a sufficient amount of new affordable housing developed, the number of homeless people and their average length of the stay in emergency shelter will remain high.

Target 1 Reduce the number of people using emergency shelters by 500 each year for ten years.

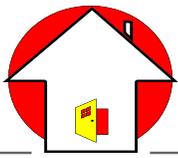
Target 2 Reduce the average length of stay in a shelter by 3 days per year for ten years.

Target 3 Create 1000 affordable units using a combination of newly built housing and rent supplements each year for ten years.

Target 4 Make housing more affordable for people on low incomes by improving their incomes each year for 10 years.

EXECUTIVE DIRECTOR: LYNNE BROWNE

171 George Street, Ottawa ON, K1N 5W5 – Tel: 613-241-1573, ext. 314 – Email: lynnebrowne@endhomelessnessottawa.ca



ATEH budget recommendations: JOBS AND HOUSING

1. **ATEH recommends Ontario launch a new funding program in the budget to link the creation of new jobs with the building of affordable rental housing.**

Ontario's economy will definitely benefit from such a growth policy when the Government does much more than it currently undertakes to help communities like Ottawa build more affordable rental housing.

- **Construction contributes 6%, manufacturing 13% and the non-profit sector 7% to Ontario's GDP.** These three sectors alone present a real opportunity for communities to create more jobs to stimulate the Ontario economy and increase the number of affordable places for people on a low income to live.
- Spending upstream on affordable housing helps people before the costly point where they lose their housing and become homeless.

Unfortunately, over the last three years **Ontario cut \$24.5 million cut from affordable housing spending across the province.** That means fewer jobs and more people facing severe housing challenges. **Between 2010 and 2012 Ontario's spending went from \$620,222,226 to \$595,490,400** (in 2011/2012 the funding dropped to \$610,343,500).

Instead, the coming budget ought to include a substantial increase in province's own spending on affordable housing in addition to its participation in the *Investment in Affordable Housing Program*.

2. **ATEH recommends the province fast take action to help renters.**

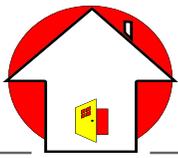
These three changes will have little or no monetary impact for the province's budget, but they will benefit our community and the province. They would reduce pressure on Ontario's affordable housing stock for people with low or moderate incomes, and improve their purchasing power in other economic areas:

- 1) Regulations to limit market rent increases on vacant apartments.
- 2) Programs to mandate the preservation of existing, and the building of new, non-profit and other good quality affordable rental housing.
- 3) Policies to mandate inclusionary housing programs in municipalities. Authorize communities like Ottawa to develop regulations and an approval process to have private developers include affordable housing as a portion of all new projects.

The non-profit and co-op sectors have already shown they will undertake rental housing projects if the province provides assistance, and, as they have in the past, they will work with Ottawa's construction industry to make it happen.

The private development industry has shown no interest in building affordable rental accommodation.

Instead, the percentage increases in 2012 Market Rents in Ottawa were: 3.7% for a Bachelor apt.; 1.9% for 1-Bedroom apt.; 2.7% for 2-Bedroom Apt. and 4% for a 3-Bedroom unit. Meanwhile Ontario set the benefit rate increases for OW and ODSP in 2012 at just 1%.



ATEH recommendations: INCOME

1. **ATEH recommends that the Government of Ontario provide an immediate increase to benefit assistance rates that reflects the real cost of housing, utilities and food in Ontario communities.** Income support changes are long-overdue; the rates have been kept far below the poverty level in Ontario communities for decades.
2. **ATEH also recommends an immediate change to allow people who find part-time work while on assistance to keep more of their earnings.**

It can only be good for families, communities, the economy and the provincial government when people are able to improve their situation.

Four recent Government of Ontario decisions added to our community's difficulties.

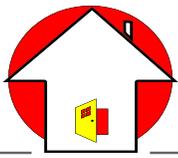
1. Ontario eliminated Community Start-up and Maintenance Benefit. It helped people on assistance to move to safer or more secure housing or pay rent or utility arrears so they would not lose their housing.
2. Ontario mandated municipalities to help more people with less funding. When the province consolidated funds for housing and homelessness (CHIP), the qualifying group was expanded so it now includes people receiving supports and others also struggling with a low income.
3. Ontario put a ceiling on funds for emergency shelter in the consolidated funding. Now local communities and municipal governments are on their own to deal with any additional need for emergency shelter.
4. Ontario Works and Ontario Disability Benefits for 2013 increase was set at 1% and fell well below the 2.5% rent increase allowed to landlords.
Ontario definitely made financial difficulties worse for many families and individuals on benefits. ATEH has tracked data on this from 2004 on and found people on benefits have little or no purchasing power for other basic needs.

In 2008, the Income Security Advocacy Centre reported the total incomes for families on OW were more than 30% below the low income cut-off, singles on OW were 40% below and singles on ODSP were 31% below.

IMPLICATIONS OF THE ONTARIO GOVERNMENT'S DECISIONS

ATEH undertook a nine-year analysis of market rent and food cost increases in Ottawa compared to the ODSP and OW benefit increases. People on low incomes need to spend whatever income they have just to get by and an increase in their purchasing power can only help Ontario's economy.

By 2011, the Ottawa community had seen an eight-year trend of increasing shelter use and length of stay in a shelter. ATEH believes that this should be a wake up call for all Ontarians but especially for MPPs.



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In the 2011, the data provided in the ATEH *Report Card on Ending Homelessness in Ottawa* showed there were 7,243 individuals in the city that had to stay in emergency shelter.

Of these 1,499 were children. It is not hard to understand why the 840 homeless families with low incomes in 2011 were having trouble covering their rent. Worse yet, the average length of stay for a family in a shelter was 82 days before they could find housing in 2011. The average stay overall was 68 days.

For the 4,699 individuals who were homeless in 2011, the income and rent challenges faced by anyone receiving Ontario benefits or working for minimum wage were daunting. And in 2012 the challenges worsened!

<u>Housing affordability for single people</u>		<u>2011</u>	<u>2012</u>
Percent of income that a single person on low income would need to spend to pay the average rent for bachelor apartments in Ottawa so that only 30% of their income goes to rent and sufficient money remains for other basic needs like food, utilities, or bus fare.	Ontario Minimum Wage	44%	46%
	Ontario Works	121%	124%
	Ontario Disability Support Program	68%	70%

ATEH CONCLUSIONS FOR THE 2013 ONTARIO BUDGET

There is a cost to doing nothing more than what the province currently is to promote the creation of affordable housing and provide adequate income supports in Ontario.

There is always a human toll when people go through and then hopefully recover from the crisis of being homeless. That toll is paid by the individuals involved but there are far reaching repercussions for the health of communities and thus the Province of Ontario. The amount of money the provincial and municipal governments spend on shelter beds alone is a very costly approach to making sure families and individuals in Ontario communities do not live on the street. Those dollars are in addition to the significant funds and donations that are raised by community-based agencies and individuals in the community.

- 1. Significantly increase funding for affordable housing in the next provincial budget.**
Funding will help local and provincial economies! *Launching an affordable housing boom while the ownership market faces its own challenges in the coming years is a solid idea.*
- 2. Immediately raise OW and ODSP rates that will put housing within reach for recipients!**
Put an immediate increase in the next budget that raises assistance rates to reflect the real cost of housing, utilities and food in Ontario communities.
- 3. Create incentives for individuals on assistance to go seek employment!**
The next budget should immediately allow people who find part-time work while receiving benefits to keep more of their earnings.

Keeping people too poor to live and rent in their own province only adds to other areas of provincial expenditure, not to mention the harm done to families and individuals and to local communities.