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FEDERATION OF CANADIAN MUNICIPALITIES NATIONAL ACTION PLAN ON HOUSING AND HOMELESSNESS

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, March 13, 2008, from the Commissioner of Community and Health Services:

1. RECOMMENDATIONS

It is recommended that:

1. Council receive the two reports recently released by the Federation of Canadian Municipalities entitled *Trends and Issues in Affordable Housing and Homelessness* and *Sustaining the Momentum: Recommendations for a National Action Plan on Housing and Homelessness*.
2. The Regional Chair write to the federal Minister responsible for housing and homelessness and to the provincial Minister of Municipal Affairs and Housing expressing the Region's support for the directions in the two Federation of Canadian Municipalities reports.

2. PURPOSE

This report provides information about two reports released by the Federation of Canadian Municipalities (FCM) in January entitled *Trends and Issues in Affordable Housing and Homelessness* (see Attachment 1 summary document) and *Sustaining the Momentum: Recommendations for a National Action Plan on Housing and Homelessness* (see Attachment 2 summary document) and seeks Council's endorsement of the recommendations set out.

The following links provide the complete FCM reports associated with the attachments listed above:

- 1) *Trends and Issues in Affordable Housing and Homelessness*
<http://www.fcm.ca/english/qol/qol2008.pdf>
- 2) *Sustaining the Momentum: Recommendations for a National Action Plan on Housing and Homelessness*
[http://www.chra-achru.ca/CMFiles/FCM_Housing_Strat_En\[1\]20IFQ-1262008-7071.pdf](http://www.chra-achru.ca/CMFiles/FCM_Housing_Strat_En[1]20IFQ-1262008-7071.pdf)

3. BACKGROUND

York Region has long participated in working groups of FCM concerned with homelessness and affordable housing issues.

In the summer of 2007, FCM engaged a consultant to work with them to develop a national strategy to reduce homelessness and increase affordable housing supply for presentation by FCM and the Big City Mayors' Caucus to the federal government.

Addressing homelessness issues and providing a broad array of affordable housing choices is consistent with the Region's overall Sustainability Strategy approved by Council on November 15, 2007 through the adoption of Clause No.6 of Report No. 9 of the Planning and Economic Development Committee.

FCM is encouraging federal reinvestment in housing initiatives

The timing of this strategy coincides with the up-coming expiry of existing federal housing commitments over the next ten years and the 2008/09 budget deliberations for both the federal and provincial governments. Further, there is a federal/provincial/territorial housing ministers' meeting scheduled for early February.

FCM's objective for releasing these two reports now is to persuade the federal government to reinvest savings from current program spending commitments back into programs that address housing and homelessness issues in Canada.

Trends & Issues in Affordable Housing & Homelessness is the fourth theme report published by FCM as part of the Quality of Life Reporting System. The Quality of Life Reporting System measures, monitors and reports on the quality of life in Canadian urban municipalities using data from a variety of national and municipal sources.

4. ANALYSIS AND OPTIONS

Trends and Issues in Affordable Housing & Homelessness Report

FCM's *Trends & Issues in Affordable Housing & Homelessness* report looks at affordable housing and homelessness between 2001 and 2006 in the 22 large and medium-sized municipalities and urban regions, including York Region, that make up the Quality of Life Reporting System.

The Report concludes that finding an affordable place to live is still a challenge for our most vulnerable

- Housing prices nation-wide are outpacing income growth.

- Low income, lone-parent families and singles, and social assistance recipients are most vulnerable to homelessness.
- In general, across the country, the most affordable rental housing is now almost 50 years old (43 years old in York Region) and 10% of all rental housing requires major repairs.

York Region continues to experience need for more housing options

Despite many positive steps taken by York Region to address the need for more housing options, this report highlights that some of our residents continue to face serious challenges in finding affordable housing:

- York Region has the lowest level of rental housing completions (0.1% of all housing completions, 2001-2006).
- The gap between house price and income is greater in York Region than most other participating communities. York Region experiences the greatest gap between housing cost and income for non-family persons than any other participating community.
- The average vacancy rate for private rental units between 2001 and 2006 was about 1% in York Region; one of the lowest rates reported among participating communities.
- York Region had the third highest average rent for a two bedroom apartment in 2006 at \$1,039 per month; surpassed only by the cities of Vancouver and Toronto.
- In York Region, the gap between monthly income from social assistance and income needed to afford a two bedroom apartment was about \$1,900; the third highest among all participating communities, surpassed only by the city of Vancouver and Peel Region.
- In 2006, York Region had the second lowest number (22) of social housing units per 1,000 households, surpassed only by the city of Laval.

The report emphasizes the need for a comprehensive strategy on housing and homelessness and calls for reinvestment in both the private and social housing stock in Canada.

Sustaining the Momentum: Recommendations for a National Action Plan on Housing and Homelessness Report

FCM's *Sustaining the Momentum: Recommendations for a National Action Plan on Housing and Homelessness* report focuses on "Guiding Principles" and sets out specific achievable targets and initiatives to address the needs of communities across Canada.

The guiding principles

- Build on our housing legacies.
- A housed population is a productive and secure population.

- Housing is essential to healthy, well-functioning communities.
- Housing requires ongoing participation of all orders of government, the private and non-profit sectors.
- Resources and action are required in all communities to reach every Canadian.
- Actions and funding must be long-term, predictable and sustained.
- Housing assistance should be funded through progressive income tax, not municipal property tax.

Key recommendations of the report are “five targets, ten years”

- End chronic homelessness in ten years.
- Expand the stock of affordable non-market housing by 15% of total annual housing starts each year.
- Reduce the backlog in core housing need by 35,000 households annually for ten years.
- Preserve and modernize Canada’s existing social housing stock at the rate of 20,000 units per year, while renewing existing subsidies.
- Extend and revise the Residential Rehabilitation Assistance Program to rehabilitate 10,000 homeowner and rental units annually.

Report sets out specific priorities for reducing homelessness and increasing affordable housing supply

- Reduce chronic homelessness through a “housing first” model, i.e. provide supportive housing as a first step out of homelessness.
- Preserve and renew existing social housing assets.
- Preserve and improve the existing relatively affordable stock i.e. provide programs to protect and renew market rental and ownership housing that is affordable to low and moderate income households.
- Stimulate new rental construction.
- Facilitate increased access to ownership for households at the margin i.e. those households who can afford to own a home with just a little assistance.
- Manage place-based and neighbourhood effects i.e. ensure housing strategies address local needs and integrate urban planning, smart growth and neighbourhood redevelopment initiatives.

Targets can be achieved with little new investment

The estimated cost to achieve these targets is \$3.35 billion annually; however, the report demonstrates how targets can be achieved if the federal government sustains funding at 2007/08 levels and the provincial/territorial governments match the federal contributions.

The report further points out revenues will be generated by the activities carried out in meeting targets that will reduce the net cost to governments.

5. FINANCIAL IMPLICATIONS

Both reports recognize the existing contributions to housing and homelessness programs from Canadian municipalities in the form of grants, waivers/reductions of usual fees and charges, municipal planning initiatives, and human resources support.

Without significant sustained investment by senior governments; however, these efforts by municipalities will not achieve the desired outcomes of reducing homelessness and providing decent affordable housing for all Canadians. Both reports reiterate the stance of FCM and provincial municipal associations that the property tax base alone cannot address these needs.

6. LOCAL MUNICIPAL IMPACT

Local municipalities will benefit greatly if the recommendations in these two reports are adopted. There is a need for more affordable housing in every York Region community to accommodate a growing workforce and lessen the numbers of commuters on the roads.

7. CONCLUSION

These papers are consistent with York Region's position that senior levels of government need to provide long term stable funding to support the efforts to address the housing and homelessness issues in the Region. These documents further demonstrate that the housing needs of low and moderate income households and the complex needs of the chronically homeless should not, and cannot, be met through the municipal property tax base.

The action plan outlined in the *Sustaining the Momentum: Recommendations for a National Action Plan on Housing and Homelessness* report clearly recommends that broad principles applicable across Canada should be embedded in a National Strategy; however, any resulting programs must be sufficiently flexible to meet the diverse needs of local communities. If all orders of government work together with community and private-sector stakeholders through a comprehensive strategy, these goals are achievable.

For more information on this report contact Sylvia Patterson, Director, Housing Services at Ext. 2091.

Report No. 2 of the Community Services and Housing Committee
Regional Council Meeting of March 27, 2008

The Senior Management Group has reviewed this report.

(The attachments referred to in this clause were included in the Agenda for the March 19, 2008 Committee meeting.)