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PROPOSED LOCAL WAITING LIST PRIORITY CATEGORY

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, August 27, 2004, from the Commissioner of Community Services and Housing:

1. RECOMMENDATIONS

It is recommended that:

1. Committee and Council approve the establishment of a local waiting list priority category: social housing market rent households at risk of economic eviction and potential homelessness due to a significant involuntary loss of income.
2. The Commissioner of Community Services and Housing be authorized to take all necessary steps to give effect thereto.

2. PURPOSE

The purpose of this report is to seek Committee and Council approval for the establishment of a local waiting list priority category and process to assist social housing market rent households in obtaining rent-geared-to-income assistance when they have experienced significant economic changes that adversely affect their ability to pay full market rent.

3. BACKGROUND

Social housing providers provide both market rent and rent-geared-to-income housing in their communities. Market-rent households receive no assistance and as such pay the full rent for their unit. Rent-geared-to-income (RGI) households pay a rent that is based on a portion of their income. The Region subsidizes the cost of reducing the rent from the full market level to the geared-to-income level for RGI households.

Occasionally, households paying market rent in social housing buildings may require rent-geared-to-income assistance due to unforeseen involuntary financial losses that are significant enough to adversely affect their ability to pay full market rent. Some examples include the death of a spouse, family breakdown, loss of employment, etc.

Under the current rules, these households must apply for RGI assistance and if eligible, are placed on the chronological centralized waiting list as new applicants. Given the lengthy wait for RGI assistance, many of these households may be evicted for rent arrears before their name comes to the top of the list for subsidy help.

Prior to the proclamation of the *Social Housing Reform Act, 2000*, the Ministry of Municipal Affairs and Housing (MMAH) had a policy that allowed market rent tenants who had experienced changes in their financial situation to apply for RGI assistance. The tenant's move-in date was considered as the date of application for RGI assistance, thus giving credit for their time as tenants. The policy also recognized the importance of protecting existing tenancies and helped to stabilize communities.

However, the new *Social Housing Reform Act, 2000*, requires Service Managers to give special priority status only to victims of abuse. This is the only legislated category of individuals who are ranked ahead of the chronological waiting list. The legislation does, however, allow Service Managers to establish local rules to create additional waiting list priority categories to relieve hardship or economic disadvantage.

4. ANALYSIS AND OPTIONS

4.1 Local Priority for Social Housing Market Tenants at Risk of Eviction and Potential Homelessness

The establishment of a local waiting list priority category for the centralized waiting list specifically focused on significant economic change would assist social housing "market" tenants who require RGI assistance due to a significant loss of income through no fault of their own.

For example, at the present time, a recently widowed senior who cannot afford to pay the rent without her husband's income must apply as a new applicant and wait years for RGI assistance. While waiting for assistance, she may lose her home. With a local priority in place, she would be at the top of her provider's waiting list, receiving assistance in a more timely manner.

These households, if eligible, would be placed on the waiting list below special priority applicants (victims of abuse), but above chronological applicants. These households would receive priority status only with their current housing provider.

Market rent tenants in social housing communities would be eligible for priority status on the centralized waiting list, subject to the following criteria:

- The household has suffered a significant involuntary loss of income.
- The loss is not temporary in nature.
- The loss of income is substantial and as a result, the household must pay more than 50% of gross income on rent.

The RGI subsidy would not be immediate, as the household would still have to wait until their name comes to the top of the waiting list for an available subsidy.

4.2 Impact on Waiting List

The impact of the proposed local waiting list priority category on the general waiting list would be minimal. The number of applicants meeting the eligibility criteria would be small. At present, it appears that only about ten households per year may be eligible for this local priority.

4.3 Consultation

Significant consultation was undertaken with housing providers across the Region. Housing providers strongly support the development of a local waiting list priority category that assists current social housing market tenants.

Other Service Managers including Toronto, Durham and Peel have also developed policies giving priority to market rent households who are eligible for RGI assistance.

5. FINANCIAL IMPLICATIONS

RGI subsidies are managed within the current budget allocations, so there would be no additional impact on our budget.

6. LOCAL MUNICIPAL IMPACT

The local waiting list priority category would support the Region's commitment to strengthening the quality of life in our communities and to helping a segment of our population who are at risk of homelessness.

7. CONCLUSION

The local waiting list priority category would support security of tenure for vulnerable residents residing in social housing communities in all of our local municipalities.

The Senior Management Group has reviewed this report.