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IMPACT OF THE PROVINCIAL SPECIAL PRIORITY PROGRAM ON SOCIAL HOUSING IN YORK REGION

The Community Services and Housing Committee recommends the adoption of the recommendations contained in the following report, October 28, 2004, from the Commissioner of Community Services and Housing:

1. RECOMMENDATIONS

It is recommended that:

1. Council endorse the recommended changes to the Regulations pertaining to Special Priority made under the *Social Housing Reform Act, 2000* (see Attachment 1) and request that the Province implement the recommendations.
2. The Province be requested to amend the regulations made under the *Social Housing Reform Act, 2000* to give Service Managers the flexibility to ensure that social housing providers are able to equitably fill rent-geared-to-income vacancies with both special priority and chronological applicants.
3. The Province be requested to provide funding to implement a transitional support program to assist special priority applicants housed in social housing communities.
4. The Province be requested to move quickly to increase the supply of affordable housing available to all households in need and to increase the supply of supported affordable housing available to applicants fleeing domestic violence.
5. The Province be requested to proceed immediately with their recently announced consultation with service managers, housing providers, and victims of violence advocates to evaluate and redesign the special priority program.
6. This report be circulated, in full, to the Ministry of Municipal Affairs and Housing, the Association of Municipalities of Ontario (AMO), the Ontario Regions Social Housing Group (ORSHG), the Ontario Municipal Social Services Association (OMSSA), the Ontario Non-Profit Housing Association (ONPHA) and the Co-operative Housing Federation of Canada – Ontario Region (CHFC).

2. PURPOSE

The purpose of this report is to provide Committee and Council with an overview of the provincially prescribed Special Priority Program and the impacts of this program on social housing in the Region.

3. BACKGROUND

Social housing in the Region is owned and operated by private non-profit and co-operative housing corporations, as well as Housing York Inc. These corporations receive funding from the Region in its capacity as a Service Manager and are governed by the *Social Housing Reform Act, 2000*, (the SHRA). Most of the units in social housing communities are offered on a rent-geared-to-income (RGI) basis. RGI tenants pay reduced rents based on a portion of household income.

The SHRA requires service managers to maintain a centralized waiting list for RGI housing. Social housing providers in turn are required to fill vacant RGI units with applicants selected from the centralized waiting list. The regulations made under the SHRA prescribe a special priority category for victims of domestic violence who need affordable housing to escape an abusive relationship. Special priority households rank ahead of everyone else on the centralized waiting list. This means that whenever an RGI vacancy arises in the social housing portfolio, that vacancy defaults to the special priority list before it can be offered to anyone on the chronological centralized waiting list.

The Special Priority Program was the Province's principal response to recommendations from the Hadley enquiry. Gillian Hadley was a Durham woman murdered by her estranged husband. At the time of her death, Gillian was on the waiting list for RGI housing. The Hadley enquiry produced a number of housing related recommendations, including:

- New government funding to create additional permanent subsidized housing.
- New government funding to create second stage housing (medium term housing with appropriate counselling and support services).
- New housing allowances to enable women and children fleeing abusive relationships to enter market rental housing.
- Appropriate funding for community-based women's anti-violence services, including shelters.

At that time, the government chose not implement recommendations that would impact the Provincial budget. Social housing priority was offered as the government's solution to domestic violence issues, without the support services or increased housing supply needed to make the initiative successful.

3.1 Special Priority Requirements

To obtain special priority status, an applicant must provide a written request stating that:

- a) A member of the household has been abused.
- b) The abuser is or was living with the abused person or is sponsoring the abused person as an immigrant.
- c) The abused person intends to live permanently apart from the abusing individual.

For special priority purposes, abuse is defined as

an incident of physical or sexual violence against an individual, an incident of intentional destruction of or intentional injury to an individual's property, or words, actions or gestures that threaten an individual or his or her property. (O. Reg. 298/01, s. 4(1))

The applicant must provide a statement from a qualified professional to verify the abuse. Qualified professionals include, doctors, lawyers, police officers, clergy, teachers, guidance counsellors, and social workers. Service Managers must accept verbal statements from qualified professionals and are not permitted to require verification from more than one person.

Although the Special Priority Program is designed for applicants who need RGI housing to enable them to leave an abusive situation, applicants continue to qualify in perpetuity if they apply within three months of leaving the relationship.

3.2 Provincial Consultation

In 2002, the Province asked Service Managers to recommend improvements to the SHRA and related Regulations. Recognizing a common interest, the Ontario Regions Social Housing Group, a staff network established by the Single Tier Chief Administrative Officers, and the housing provider sector associations submitted a consensus document outlining regulatory requirements that needed immediate attention. In 2003, the Province circulated a report consolidating all submissions and inviting further comment. A second consensus document focussed primarily on technical changes was submitted at that time. A summary of the consensus recommendations pertaining to the Special Priority Program is appended to this report (*see Attachment 1*).

Regulation changes are required to increase Service Managers' capacity to effectively administer the Special Priority Program. The credibility of the Program could also be enhanced. For example, Service Managers' authority to verify eligibility is restricted and once granted, there is no mechanism to remove status. As a result, abusers who reconcile with their partners and applicants found to have misrepresented their circumstances continue to benefit from priority access to RGI housing. To date, the Province has not implemented any of the program changes requested.

4. ANALYSIS AND OPTIONS

4.1 Distribution of Special Priority Applicants Housed

4.1.1 Higher Representation in Family Buildings

In 2003, 26% of all RGI vacancies in social housing buildings in the Region were filled by special priority applicants. However, the impact of this policy is not evenly distributed. Social housing buildings fall into two categories: buildings dedicated to housing seniors, and buildings that house families. Family buildings often include housing for non-senior singles and couples.

Just over half of the RGI units in the Region are located in family buildings. Most special priority applicants require family housing. The relative impact of the special priority policy is demonstrated in Table 1.

Table 1
Distribution of Vacancies Filled by Special Priority Applicants in 2003

Social Housing Building Type	% of All RGI Vacancies Filled by Special Priority Applicants
Senior RGI Units	8%
Family RGI Units	40%
All RGI Units	26%

4.1.2 Impact of Applicant Preferences

Not all family buildings are equally affected by the Special Priority Program. All applicants can specify the buildings in which they would like to live. Special priority applicants do not equally select all family buildings.

Special priority applicants are most likely to select buildings located in the southern municipalities. In 2003, 52% of the family special priority applicants housed moved into RGI units in the south end of the Region. Proximity to transit and services also appears to be a factor as one central municipality alone accounted for 38% of the family special priority applicants housed. Special priority applicants also tend to select townhouses over apartments.

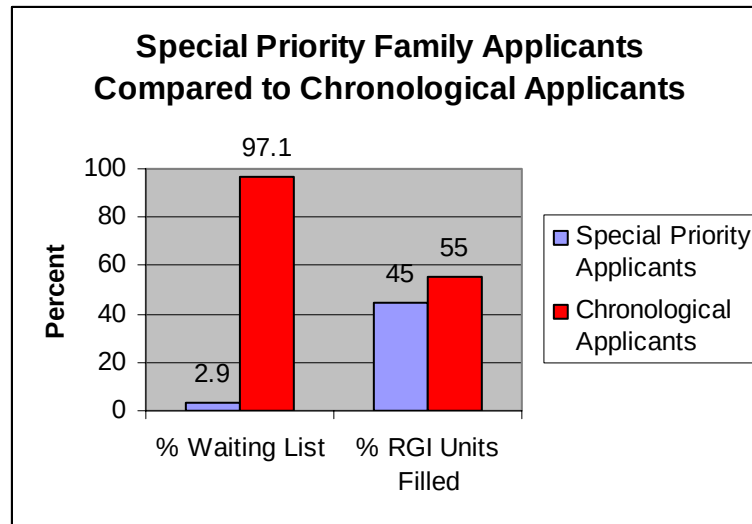
Some housing providers are experiencing much greater impacts than others. Thirteen of the Region's 30 family social housing buildings are consistently filling at least 50% of all RGI vacancies with special priority applicants. In 2003, two buildings filled virtually all of their vacancies with special priority applicants. As the number of special priority applicants increases, so does the impact on individual housing providers. In the first six months of 2004, four buildings exclusively housed special priority applicants.

4.2 Waiting List Impact

In addition to the special priority list, the Region maintains a chronological waiting list for all other applicants. Chronological applicants need family housing for a variety of reasons. Some are in receipt of Ontario Works, some are disabled and many are working families who simply don't earn enough to pay their rent. These applicants are significantly disadvantaged by the special priority program.

Special priority family applicants account for less than 3% of the total family waiting list. However, special priority applicants filled 45% of the RGI family vacancies in the Region in the first six months of 2004. Table 2 depicts special priority applicants as a percentage of the total waiting list in relation to the percentage of RGI units allocated to special priority households in the first six months of 2004.

Table 2
2004 Special Priority Waiting List and Vacancy Data



The overall number of RGI vacancies available to chronological applicants who need family housing has been substantially reduced. The situation is particularly acute in the southern municipalities. In 2003, 51% of the RGI family vacancies in the southern municipalities were filled by special priority applicants. In the first six months of 2004 that figure increased to 65%. Some family buildings and communities are now effectively unavailable to anyone other than special priority applicants.

4.3 Special Priority Waiting List Growth Projections

As the program increasingly becomes known in the community, special priority numbers will inevitably increase. The Province has also indicated that it is considering an expansion of the three month eligibility period to include applicants who apply within one year of separating from the abuser. Expanding the eligibility criteria would substantially increase the number of applicants on the special priority waiting list.

Without significant program redesign or a substantial new affordable housing supply program, in time, the Region's limited RGI housing supply will be effectively repurposed to house predominantly victims of domestic violence.

4.4 Impact of Special Priority Administrative Requirements

Considerable staff resources are required to administer the special priority program. The Province requires the Region to respond to all requests for priority status within five days of receipt. Applicants deemed ineligible for priority have the right to request an internal review of that eligibility decision. Review requests must also be processed within five days of receipt.

Although the number of eligible special priority applicants is increasing at a fairly stable rate, the number of chronological centralized waiting list applicants seeking inclusion in the special priority category is increasing dramatically. This results in a growing number

of appeals from clients who have been denied special priority status as they do not meet the provincial criteria. Given the multi-year waiting times for social housing, it's hardly surprising that many chronological applicants seek special priority status, as they often see it as their only realistic hope of obtaining subsidized housing.

4.5 Social Housing Community Impact

Social housing buildings were designed to integrate into their neighbourhoods. Most are small, with fewer than 150 units. Due to their size, most housing providers have limited staff. Housing providers are landlords who also administer the rent-geared-to-income assistance program. They are neither funded nor designed to provide the counselling, life skills training, or support services often needed by individuals and families who have suffered domestic violence.

By definition, the special priority program was established to serve victims of violence who are in crisis. However, in creating the program, the Province did not make provision for the supports needed to enable special priority applicants to make a successful transition from crisis to stability in permanent affordable housing.

Some victims of violence may reconcile with their partners a number of times before permanently leaving the relationship. Housing providers have no legal authority to prevent the abuser from joining the special priority household in the RGI unit. If the victim of violence subsequently flees, the abuser has security of tenure and continues to receive RGI assistance.

Concentrating large numbers of special priority households in social housing buildings may actually put those households at further risk. The months immediately following separation from the abuser are the most dangerous for the victim. The location of social housing buildings is public information. The buildings were not designed with extraordinary security measures. As landlords, housing providers have no special capacity to protect victims of violence from their abusers. One co-operative housing provider in the Region continues to struggle with the community impact of a highly publicized situation where a special priority household member was abducted from her RGI unit by her abuser. In this case, police located the victim before serious injury occurred. However, a similar, and perhaps more dire situation could occur in the future.

5. FINANCIAL IMPLICATIONS

Non-profit and co-operative housing providers are expected to rent a portion of their units to market households that do not need RGI assistance. The perception that a building serves predominantly victims of violence can negatively impact the rental market value of the units that do not receive RGI assistance. If a building's capacity to generate necessary revenues is reduced, the housing provider may require additional subsidy from the Region to maintain the property.

6. LOCAL MUNICIPAL IMPACT

The Region's limited supply of RGI housing is becoming increasingly unavailable to the low and modest income households it was designed to serve. This is especially true in the southern municipalities.

7. CONCLUSION

In its current form, the Provincial Special Priority Program assumes that the provision of social housing is in and of itself a solution to domestic violence. Although social housing can be part of the solution, it cannot provide the necessary supports. The Province must reconsider this program and commit the funding required to support special priority households.

Although the intent of the Special Priority Policy is laudable, the Province failed to anticipate the impact on the social housing system. It is unlikely that the Province intended to repurpose social housing family buildings to exclusively serve victims of domestic violence. This outcome is largely a function of the scarcity of RGI housing in relation to the community need. The Province must take immediate action to increase the supply of affordable housing available to all households in need and the supply of supported affordable housing available to victims of domestic violence.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause was included in the Agenda for the November 10, 2004 Committee meeting.)