

2017 Housing is Fundamental

A report to the community from the Affordable Housing Action Committee



12th Edition



Rental Market Highlights – Peterborough 2016

- Vacancy rate decreased to 1%
- Tied with Guelph for lowest vacancy rate in Ontario
- Availability rate declined more than vacancy rate
- Fewer households moving out of rental than additional renter households being formed
- Average rent \$936; up by 1.3%
- Slower movement out of rental
- Unit supply remained stable
- Demand increased
- Demand in part from growing senior population
- Turnover rate among lowest in Ontario
- Strongest tightening of conditions since 1989
- Rent increases below guideline of 2.0%

Source: CMHC Rental Market Report Peterborough 2016



At the end of 2015, every third person in our region was older than 55 and every fourth person was older than 60.

Source: Statistics Canada population estimates. CMHC Rental Market Report Peterborough 2016

The Contradiction

We live in a stratified society where everyone is on a social scale according to many things such as wealth, income, education, and family background. Social ranking and quality of life cannot be separated. At the lower levels of the scale people are more vulnerable to chronic disease, reduced life expectancy, limited social engagement, rejection, environmental disaster, hunger, and more.

But, as a society, we also believe and value notions about fairness and egalitarianism wherein all humans are equal in fundamental worth or social status. In Canada so many of our efforts would seem to aim for equality among people. Our law, public education, freedom of speech, welfare, homelessness shelters, social spending and our medical institution are only some of the examples that stem from an intrinsic urgency to be kind and fair.

And now for the contradiction: How do we end up with a society that’s so socially and economically disparate when we believe so strongly in equality? How can so few have so much and so many have so little?

An important study in varying living conditions and circumstances can be found in housing. One’s housing is essentially representative of one’s social status and most indicative of income.

Canadian politicians are very aware of housing as a matter that requires redress. All levels of government spend money on housing with limited success. Later this year we expect a national housing strategy – hopefully a blueprint on how to improve housing for all. This is both recognition of inequity and the desire to correct the problem especially in lower-income echelons.

In the Peterborough Census Metropolitan Area the greatest of housing affordability discrepancies is seen in approximately 2,640 renter households who all spend in excess of 50% of their total incomes on housing and housing-related costs. In short they are “housing poor”. Moreover, they are entrenched in housing poverty.

Here in Peterborough in the next few months we are fortunate to have the chance to put housing into the vision of a healthy community. Both the City of Peterborough and the County of Peterborough are updating their Official Plans. The Official Plan for a community provides a vision for the type of community that we will need for the future. Let’s ensure that the issue of safe and affordable housing for all is included in the vision for both rural and urban Peterborough.

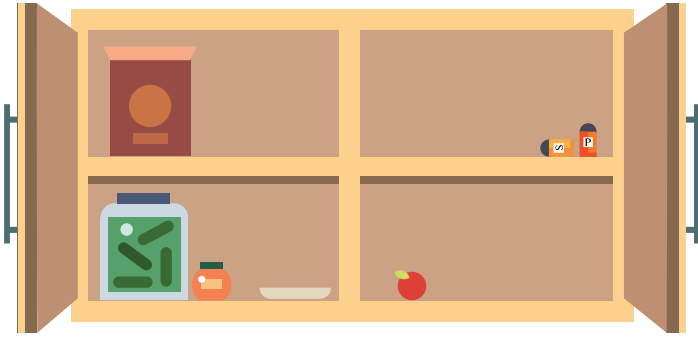
Mindful of the contradiction, let’s attend to the greatest needs as we proceed to be fair.

- Katherine Blackwood, Dawn Berry-Merriam, Paul Armstrong, AHAC and sub-committee chairs

Food Insecurity in Peterborough

In households with children under 18 years of age, 23.6% experience food insecurity compared to 8.7% in Ontario.

Source: "Limited Incomes: A Recipe for Food Insecurity", Peterborough Public Health, October 2016



Food Insecurity in Canada: The Big Picture

Food insecurity takes a serious toll on individual health and well-being, and costs our health care system.

- households experiencing some level of food insecurity = 12% (1.3 million households, or 3.2 million individuals)
- most vulnerable were lone parent families headed by women: 33.5% of these families were food insecure in 2014
- 60.9% of households whose major source of income was social assistance were food insecure
- 35.6% of those reliant on Employment Insurance or Workers' Compensation were food insecure
- 62.2% of those reliant on wages or salaries from employment were food insecure

NOTE: Among the 27 major census metropolitan areas examined, food insecurity in 2013-14 was highest in Peterborough, Ontario, affecting over 1 in 6 households.

Source: Tarasuk, V, Mitchell, A, Dachner, N. (2016). Household food insecurity in Canada, 2014. Toronto: Research to identify policy options to reduce food insecurity (PROOF). Retrieved from <http://proof.utoronto.ca>

O.W. And O.D.S.P. Caseload

City and County of Peterborough

Year	Ontario Works (O.W.)	Ontario Disability Support Program (O.D.S.P.)
2010 (Dec.)	3,680*	3,921
2011 (Dec.)	3,816*	4,154
2012 (Dec.)	3,948*	4,243*
2013 (Dec.)	3,802*	4,452*
2014 (Dec.)	3,833*^	4,644*^
2015 (Dec.)	3,888*	4,773+
2016 (Dec.)	3,855*	5,629*

O.W. Caseloads have **decreased** by .6% (2015-2016)

O.D.S.P. Caseloads have **increased** by 17.9% (2015-2016)

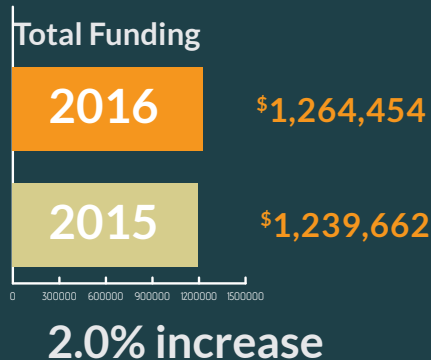
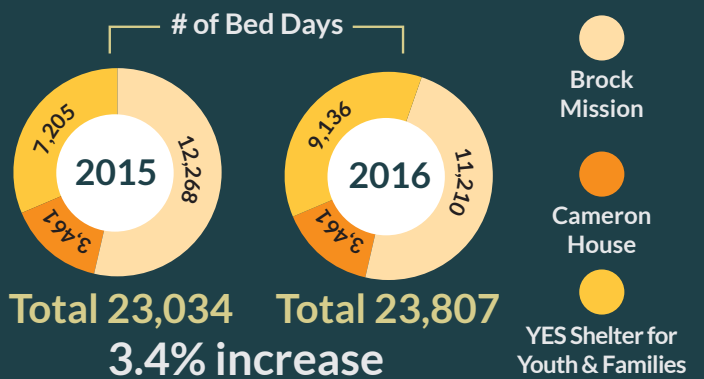
* reflect annual year-to-date averages at year's end

^ data for Nov. and Dec. 2014 used to determine annual average are preliminary and not final

+ 2015 ODSP number is average for period January to November

Source: Social Services Division, City of Peterborough; Ontario Disability Support Office, Peterborough

Peterborough Emergency Shelter Costs



Source: Social Services Division, City of Peterborough

Peterborough CMA - FALL 2016

Average Private Market Rents & Required Minimum Income

	Rent	Hourly Wage	Annual Wage
Bachelor	\$691	\$14.17	\$27,640
1 Bedroom	\$834	\$17.11	\$33,360
2 Bedroom	\$980	\$20.10	\$39,200
3 Bedroom	\$1,208	\$24.78	\$48,320

Source: Canada Mortgage and Housing Rental Market Report, FALL 2016 (Peterborough CMA) and Custom Calculations (AHAC)

- Market rents may or may not include heat and hydro.
- Rents are 'affordable' (CMHC definition) when wages are at or above the numbers in the chart.
- Rents are deemed affordable when they represent no more than 30% of the gross, combined household income. (CMHC)
- Hourly wage based on an individual working 37.5 hours weekly for a full year (1,950 hrs.)



What does the Minister say?

"Stable affordable housing helps create a dependable environment for families and children that contributes to better health and educational results.

Good housing lies at the heart of any vision of a fair and prosperous society."

Source: *The Honourable Ted McMeekin, Minister of Municipal Affairs and Housing, from Ontario's Long-Term Affordable Housing Strategy Update (2017)*

Unfortunately, the Minister's words do not match actual outcomes. Knowing the lack of affordability for almost half of Peterborough's renter households, we must conclude from the Minister's words that we do not have dependable environments for families and children and we fail to have a fair and prosperous society. - A.H.A.C.

Renting 57% Cheaper than Emergency Shelter in Peterborough

	One Person	Emergency Shelter	Bachelor Apartment	Savings by Renting
MONTHLY		\$1,615.43	\$691.00	\$924.43
ANNUALLY		\$19,385.15	\$8,292.00	\$11,093.15

Source: CMHC Rental Market Stats, Fall 2016; Social Services, City of Peterborough Emergency Shelter Stats and AHAC Custom Calculations

NOTE: Savings, achieved by renting rather than using emergency shelter, would likely be required in some portion to pay for supportive services that would maintain individuals in their apartments.

Average # individuals sheltered per night in Peterborough

2011 = 47 individuals **2012 = 57 individuals**
2013 = 57 individuals **2014 = 61 individuals**
2015 = 63 individuals **2016 = 65 individuals**

Custom Calculations: A.H.A.C.

Rent Assistance for Individuals Experiencing Persistent Homelessness

A key component of Housing First* is rent assistance. Without it, participants are unable to afford normal rental market housing. Three main findings come out of The Rent Assistance Research Project in the Waterloo Region.

Rent assistance:

- is effective at improving housing stability
- is associated with greater perceived housing quality
- improves quality of life and other psychosocial outcomes

*Housing First is a supported housing model that combines permanent independent housing with individualized support services for those experiencing persistent homelessness.

Source: http://homelesshub.ca/sites/default/files/Rent_Assistance_Community_Report_-_March_16%2C_2017.pdf



Ending Homelessness: A Canadian Definition

A definition of “ending homelessness” recognizes the differences between a Functional Zero end to homelessness and an Absolute Zero end to homelessness. The ideal Absolute Zero concept implies a day when no person will ever experience homelessness. A Functional Zero end to homelessness is a point of achievement where there are enough services, housing and shelter beds for anyone who needs them. This ensures that anyone experiencing homelessness would do so only briefly, be rehoused successfully, and would therefore be unlikely to return to homelessness.

Functional Zero can be seen as progress towards Absolute Zero.

AHAC Opinion: In Peterborough the Housing Stability Fund (HSF), the Homelessness Coordinated Response Team (HCRT) and the Homelessness Support Services Coordinating Committee (HSSCC) are working effectively to bring about a Functional Zero end to homelessness.

For a more complete discussion please see Canadian Definition of Ending Homelessness: The School of Public Policy (University of Calgary), The Canadian Observatory on Homelessness, The Canadian Alliance to End Homelessness

Source: http://homelesshub.ca/sites/default/files/Ending_Homelessness_Definition.pdf

Social Housing Wait List Greater Peterborough Area

2015 (Dec.) - 1305 names

2016 (Dec.) - 1463 names

Source: *Housing Access Peterborough*

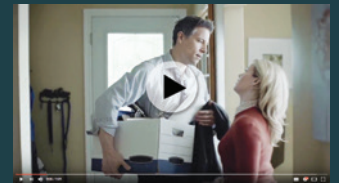


Families do go homeless in Canada:



Think it can't happen in our country? Use the link below to watch the progression of events from job-loss to family break-up and living in a shelter.

Three million families face homelessness in Canada. (Raising the Roof, 2017)



<https://youtu.be/pjIBPmHSpKg>

Vulnerable Rental Households: Peterborough and Canada

According to this comparison, Peterborough has more renter households (proportionally) in both “core housing need” and “severe core housing need” than the national reality.

Renter Households	Canada*	% of Total Renter Households	Peterborough**	% of Total Renter Households
Spending between 30% and 50%	849,130	20.7	3,835	28.8
Spending more than 50%	773,725	18.9	2,640	19.8
Total vulnerable households	1,622,855	39.6	6,475	48.6
Total renter households***	4,100,000	-	13,315	-

*Source: RQOH (Reseau Quebecois Des Osbl D’Habitation), 2016, *Parce qu’un logement c’est un droit*, https://rqoh.com/wp-content/uploads/2016/10/Memoire_RQOH_SCHL_parlons_logement_vf.pdf

** Source: Canadian Rental Housing Index, 2015, <http://rentalhousingindex.ca/>

*** Total Renter Households in Canada - National Household Survey 2011, Statistics Canada www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-014-x/99-014-x2011002-eng.cfm



Housing Survey

2016



626 respondents

The Supply Committee of the Affordable Housing Action Committee (A.H.A.C.), a committee of both Peterborough City and Peterborough County has compiled the data of their recent housing survey. In short, the intention of the survey was to ascertain the significance of housing in individuals' lives. 626 respondents submitted perceptions of housing impacts, housing related social outcomes, and housing's role in the local economy.

Survey Results



The survey responses suggested that "affordability" of housing held the most significance in day-to-day living. **95.5% of respondents strongly agreed or agreed that quality of life was determined by the proportion of income required to keep them housed.** Clarifying this, respondents stated that housing cost had an impact on the condition of their health (93.9%) and their ability to purchase healthy food (95.2%).



The housing affordability determinants, however, were present in other life quality outcomes. **90.9% said that children have more difficulty achieving at school in situations where their family housing is neither affordable nor safe.** 87% stated that their ability to participate in the community was determined by housing costs.



Survey participants said that there were insufficient "affordable" housing units in Peterborough (87.4%) and that governments should intervene to ensure safe, affordable housing (94.6%). Indeed, 85% considered that government funding for housing would contribute positively to better quality of life and healthier neighbourhoods and that this same funding would have a supportive effect on local economies (81.6%).



69.6% of respondents asserted that the availability of affordable housing can have an impact on attracting newcomers and new businesses to a community.



When affordable housing is combined with in-home supports for living, we call it 'supportive housing'. The survey suggested that **more government-funded, supportive housing was needed in Peterborough (86.5%)** and that people with declining health could have longer residency in their homes if supports were available (94.5%).

Overall Survey Finding

Overall the survey results point to deficiency in Peterborough's housing market. This affirmation alludes to the lack of housing proportionately affordable to all incomes. It also suggests a shortage of 'supportive housing'. We can deduce that governments do not intervene to an extent sufficient to rectify the problem.

The housing market in Peterborough fails to serve all residents with affordability and supports. "Housing burden" is a reality when housing cost precludes or makes difficult the consumption of other life necessities. This results in health and economic problems that prevent this community from reaching a potential not currently attained.

A TRUE STORY...

On the verge of homelessness...

Vanessa, a mother of three children, had recently separated from her husband who took with him the family's main source of income. When she reached out for help she had an eviction notice for nonpayment of rent, a notice of high hydro arrears and a threat of disconnection if her bill was not paid within one week.

Ontario Works would not provide an income without proof she was raising her children alone. She would need a new lease in her name, but the landlord would not issue that until her rent arrears were paid. Hydro would not allow her to open a new account in her name, which would make her eligible for the Ontario Energy Support Program, until her existing bill was paid.

Since Vanessa was not yet on Ontario Works, she was ineligible for some of the municipal emergency funding from Community Counselling and Resource Centred (CCRC). However, with the help of a Housing Resource Centre (HRC) counsellor, a successful application for one-time Emergency Assistance Funding, provided through donations to CCRC, paid her balance of rent arrears, preventing eviction.

From the same emergency funding, the balance of the hydro bill was paid and with more HRC counsellor guidance, a new hydro account was opened. Next they signed up for the Ontario Energy Support Program which would lower her monthly energy bill.

Following the HRC counsellor's investigation of legal rights, a new lease in Vanessa's name was negotiated. Vanessa could now receive income support but, with a greatly reduced family income, she was still unable to pay her housing costs. The solution was to complete a rent subsidy application which would hopefully make up the shortfall.

Source: A true story from the Housing Resource Centre of CCRC (2016)



Not all have happy endings...

Isn't it wonderful when intervention within the community can bring stability to a family such as Vanessa's? Unfortunately, her story, in one form or another, is all too common. Because the problems of "housing burden" or "housing poverty" are so widespread here in Peterborough, limited resources cannot save all households from eviction, nutritional deficits, or chronic health issues.

The housing subsidy that would allow Vanessa to live in her home, buy food, and pay bills is not available in numbers large enough to save all households from oppressively high housing costs. While approximately 123 municipal rent supplements are available, 2,640 renter households spend more than half of their incomes on housing. Some will pay as much as 90% of their household income to stay housed.

This story is true. So is the magnitude of the housing problem in Peterborough. AHAC continues to advocate for more support in the municipal rent supplement program. Rent supplements are essential enablers in eviction prevention, homelessness prevention, better nutrition and enhanced health outcomes. Until a more comprehensive program of housing burden reduction is available, this municipality can improve a chronic and growing problem by expanding the rent supplement program. Regrettably, in the perspective of actual household need, rent supplement support in this municipality is extremely inadequate.

A.H.A.C. (See "FAMILIES do go homeless in Canada" in this document.)

Creating New Housing Benefit for Low-Income Renters

The federal government is exploring how to establish a new housing supplement program that would link benefits to individuals rather than actual housing units. In this way the benefit or supplement would follow the individual should they move to a new unit. Under discussion is whether the supplement would be delivered through existing provincial and municipal programs or through the tax system. The tax system could remove the need for a lengthy application process.

At least 1.6 million households in Canada are in "core housing need" (spending in excess of 30% of total household income on housing and housing-related costs).

The benefit could also assist the approximately 300,000 households expected to lose federal housing subsidies as funding agreements with social housing providers expire over the next decade.

"What they're (federal government) really recognizing here is that a better solution is to provide poor people with the housing benefit that allows them to go shopping for housing." (Ron Kneebone, economist, Univ. of Calgary).

A key goal of the federal housing strategy is to provide every Canadian with affordable housing that meets their requirements.

Source: Jordan Press, *The Canadian Press*, Jan. 12, 2017 (published in *thestar.com*)

Portable Rent Supplements

Instead of assigning people to one of several buildings meant for social housing, Peel Region is allowing clients to stay in their current living situation or move into market-rent apartments and condos by providing them with housing supplements that move with them.

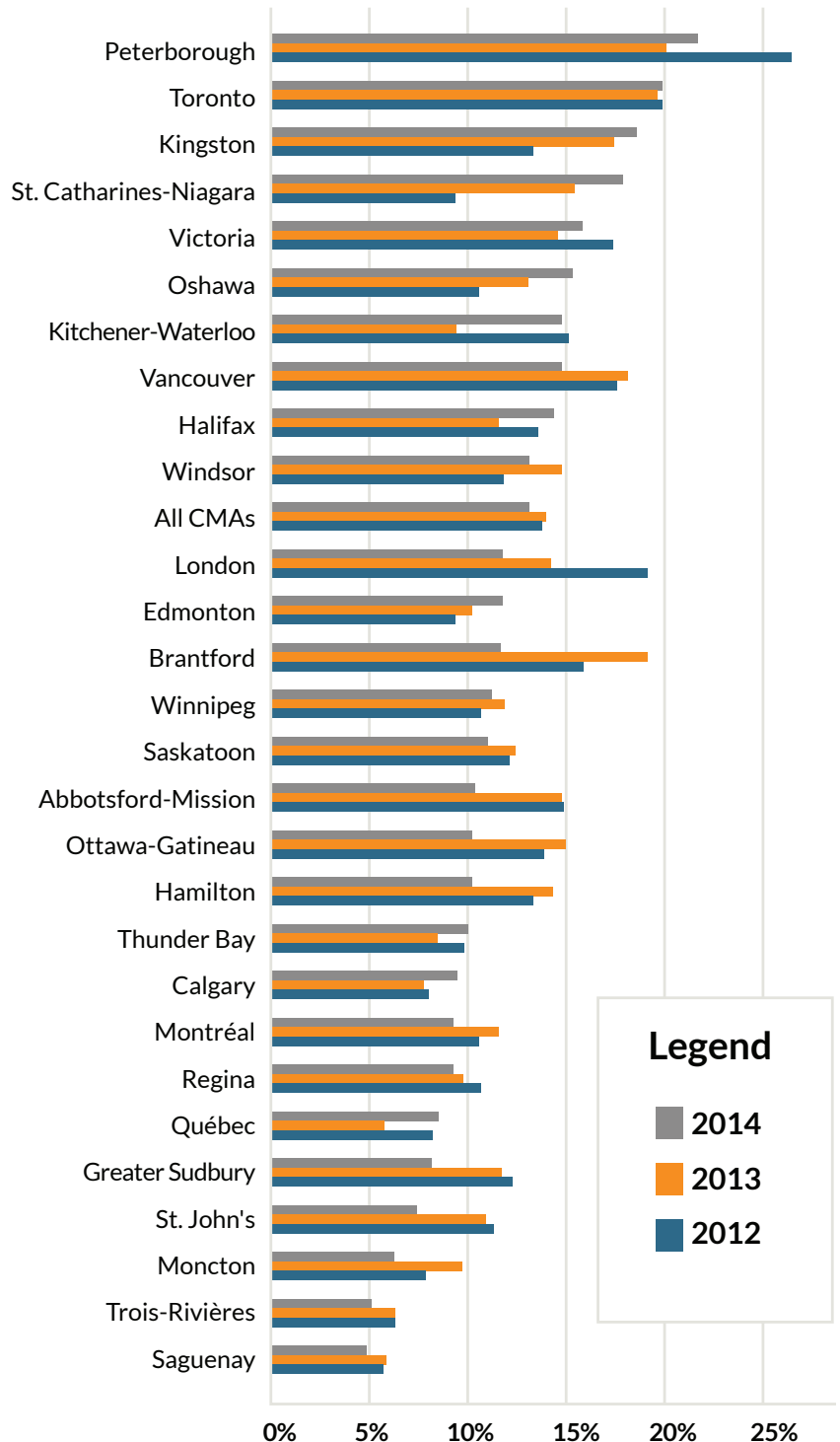
Known as "portable rent supplements" they allow renter households to remain where they are and move closer to "affordability". Portable rent supplements also relieve the pressure on creating more supply of "affordable units".

Source: A.H.A.C.

Core Housing Need: How does Peterborough compare in the big picture of Canada

Note that Peterborough has the consistently highest "core housing need" rate in Canada in each of the three years - even higher than Toronto. This is the strongest of indicators that Peterborough is in dire need of measures to achieve affordability. We must measurably lower our "core housing need" rate!

Please see "Changing the Conversation" on the last page of this document.



Source: *Housing Observer on Line*, CMHC, April 6, 2017 https://www.cmhc-schl.gc.ca/en/hoficlincl/observer/observer_129.cfm?obssource=observer-en&obsmedium=email&obscampaign=obs-20170406-core-housing-need

Core Housing Need Increases in Ontario Census Agglomerations

Year	2012	2013	2014
%	10.2%	10.4%	13.0%

Source: *Housing Observer Online, Canada Mortgage and Housing Corporation, March 22, 2017*

https://www.cmhc-schl.gc.ca/en/hoficlincl/observer/observer_126.cfm?obssource=observer-en&obsmedium=email&obs_campaign=obs-20170322-core-housing

*Core Housing Need = spending 30% or more of total household income on housing and housing related costs

High Renter “Core Housing Need” - What does it really mean?

When too many renter households spend in excess of 30% of their total income on rent and other housing associated costs, it reflects on the social and economic conditions within the community.

Here is an incomplete list of expected traits:

- excessive income inequality
- poor economic performance – housing costs restrict spending in the local economy
- higher rates of food insecurity
- higher incidence of chronic health issues
- higher levels of educational under-achievement for children/adolescents
- disproportionately high numbers of low income households
- average market rents tend to be too high for overall renter income capabilities
- rental unit supply lags behind demand

Heathy societies and communities tend not to have large divisions along social and economic lines (e.g. larger than expected economic isolation and segregation). They tend to share more similarity and are therefore more inclusive.

Source: *Affordable Housing Action Committee and Results of AHAC Housing Survey*

Addressing Affordable Housing in Canada: A National Housing Benefit

The following recommendation is one of eight for the National Housing Strategy made by The Canadian Observatory on Homelessness and The Canadian Alliance to End Homelessness.

Recommendation: Implement a National Housing Benefit

Like the child tax benefit, a national housing benefit would give low income Canadians a monthly tax credit that would help keep people housed, thus preventing homelessness. This National Housing Benefit would provide for low-income households who:

- do not normally benefit from the creation of affordable housing units,
- cannot get into social housing, or
- do not have rent subsidies.

Source: *The State of Homelessness in Canada 2016, The Canadian Observatory on Homelessness and The Canadian Alliance to End Homelessness* <http://homelesshub.ca/sites/default/files/SOHC2016.pdf>

Why aren't more people moving out of “severe core housing need”?

Choose one of the following:

- a) incomes are persistently low in households where people hold minimum wage jobs, are recipients of Ontario Works or are recipients of Ontario Disability Support Program
- b) rents keep inflating consuming more of the household income
- c) rents on purpose-built “affordable units” still consume more than 50% of household income
- d) these households cannot access rent supplements
- e) opportunity to move into social housing is severely restricted
- f) all of the above
- g) none of the above

See answer on back cover.

Housing is Fundamental

Creating Affordability: Let's Change the Conversation

For all the Peterborough Service Manager interventions to create affordability, the big picture hasn't changed in over a decade. "Core housing need" rates hover around 49% while "severe core housing need" affects one in five renter households. From this and the results of the AHAC survey we know: We have to change the conversation around affordability!

No longer is it possible to think only in terms of affordable housing supply. This implies that new units must be created.

Now we have to think about creating affordability. This amounts to lowering "core housing need" rates by providing the means of affordability where people currently live.

With the only exception being those households whose incomes are too high, affordability means that all other household income levels can rent an "affordable" unit.

The municipalities within Peterborough City and County could embrace and demonstrate higher levels of participation in creating affordability. This could mean matching or supplementing funds coming from federal and/or provincial levels of government.

Creating housing affordability means a noticeable reduction in the "core housing need" rate in the Peterborough Census Metropolitan Area. Efforts to create affordability should be significant enough to be measured quantitatively. A steady downward progression of the "core housing need" rate should be the goal.

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The results of AHAC's survey strongly suggest that our community wants to change the conversation about affordability. (see survey results in this Housing Is Fundamental 2017)

The City of Peterborough, as service manager for the City and County, should set targets that result in a meaningful incremental reduction in the "core housing need" rate. - A.H.A.C.

We are a changing community:

As planners have been saying for the last few years, this community is changing.

The soon-to-be-completed Highway 407 may well impact on our community. Peterborough has always had the luxury of being close enough to Toronto to have access to services but far enough away as to maintain our own identity and enjoy a different lifestyle. Today, we are seeing the cost of housing escalate as we become a community with commuting potential. However, while housing costs escalate, Peterborough incomes are not keeping pace. As a result, there is a newly-created segment of potential first-time home buyers who are unable to enter the housing market.

On a positive note, we are becoming a more diverse community with people from different cultures choosing to move here. Consequently, we must examine the housing needs of these newcomers – housing that may be required to house multi-generations and larger families.

Housing Is Fundamental has been tracking and documenting housing issues and trends for more than a decade. Based on this data and other observed changes, we now need to plan.

Dawn Berry Merriam, Hon. B.A., M.A. Planning and Research Associate, Merriam and Associates.

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Answer to question on page 7: ✓ F) all of the above

2,640 renter households spend more than 50% of their income on housing and housing-related expenses ("severe core housing need"). Some spent up to 90% of household income. These households require rent supplements.

For up-to-date information and more data related to Housing Is Fundamental, go to:
www.peterborough.ca/AHAC

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