To:  
Chair and Members  
Emergency and Community Services Committee  

From:  
John Hawker, Chair  
Tenant Advisory Committee  
(to be signed by the Chair)  

Date:  
March 12, 2010  

Re:  
Advocacy with Minister of Municipal Affairs and Housing the continuation of the Rent Supplement/Housing Allowance component of the Canada-Ontario Affordable Housing Program (TAC10-001) (City Wide)  

Recommendation:  
That the Mayor, on behalf of Council, write a letter to the Honourable Jim Bradley, Minister of Municipal Affairs and Housing to advocate for the continuation on an ongoing basis of the Rent Supplement/Housing Allowance component of the Canada-Ontario Affordable Housing Program (also known as the AHP – Housing Allowance Program).

Background:  
The AHP - Housing Allowance Program is different than a rent supplement program which is a long-term, rent-g geared-to-income program that provides rent adjusted according to income. If a tenant's income goes up, so does his or her rent. With the AHP - Housing Allowance Program rent is not adjusted according to monthly income; rather the amount of assistance is a flat monthly rate.

With a $200.00 per unit rent reduction for landlords in 250 units based on the initial Provincial allocation, Phase I of this program was so successful that the City provided additional funding through Delivering Opportunities for Ontario Renters and the City’s Future Fund. Phases I and II of this program made rent more affordable for 440 households in Hamilton. Of that number, 120 households are part of the Hostels to Homes Pilot Project which is a program that assists frequent shelter users to find and maintain permanent housing. When the AHP - Housing Allowance Program ends in 2013, tenancy does not end for participants but subsidy does. Consequently, tenants can stay in their units as long as they are able to pay full market rent without the allowance. Inevitably, this will put those who cannot pay full rent at risk of homelessness.

As a five-year initiative, the Rent Supplement/Housing Allowance component of the Canada-Ontario Affordable Housing Program provides a set allowance directly to provide landlords with the opportunity to offer vacant units to households in need of rental assistance by helping renters afford private market rents. Participants may receive the housing allowance, which is paid to eligible landlords, for up to five years.
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after they move into an eligible unit. Households are assisted in meeting monthly rental obligations until they are housed in a permanent geared-to-income unit or until the program expires in 2013 whichever comes first.

Analysis/Rationale:

Hamilton has one of the highest poverty rates in Ontario at 18.6%. According to the 2006 Census, 27,470 renter households pay more than 30% of their income on rent. Of great concern is that one in five renter households or 12,650 pay more than 50% of their income on rent, placing them at serious risk of homelessness. Programs such as the AHP - Housing Allowance Program help individuals and families remain housed.

The Rent Supplement/Housing Allowance component of the Canada-Ontario Affordable Housing Program is an example of an affordable housing program with high positive impact. At its core, the AHP - Housing Allowance Program promotes the use of existing stock to increase access to affordable housing. Supplementing rent allows people with low incomes, people with disabilities and people living in difficult circumstances, such as women who are victims of violence to live in housing that they otherwise could not afford.

The end-date of the AHP - Housing Allowance Program in 2013 raised concerns for Tenant Advisory Committee members. Although eligible participants receiving rent reduction assistance must be on the social housing wait-list, there is no guarantee they will be placed in a rent-geared-to-income unit before the end of their five-year rent supplement assistance. In 2009, the social housing waiting list increased from 4,182 households in January to 5,017 by October; a 20% increase. Given the need for affordable housing, it is not uncommon for individuals and families to wait three to nine years for a subsidized unit. Consequently, the trend of more applications means even longer wait times.

Without the construction of new social housing units, alternate strategies must continue to be employed. Rent supplements and housing allowances are important tools to help address the continued need for affordable housing in our community. The disparity between monthly income and housing costs for renter households is not likely to change in the near future. Therefore, the Tenant Advisory Committee is recommending that the City of Hamilton request that the Province of Ontario continue the existing Housing Allowance Program past its expiry of 2013.

Staff Consultation:

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