



STOPPING THE LOSS OF AFFORDABLE HOUSING

Alliance to End Homelessness Ottawa: Update, January 2020

ISSUE

Not only is Ottawa not building enough new low rent affordable housing, we are losing much of the older existing lower rent stock.



ALLIANCE TO END HOMELESSNESS OTTAWA UPDATES

In 2018, the City of Ottawa began an annual reporting process to monitor progress in delivering the 2014-2024 Plan on Housing and Homelessness. The Alliance to End Homelessness Ottawa (ATEHO) provides review and commentary on the progress as documented by the City to highlight opportunities to reform and improve outcomes of the homeless serving system.

Reflecting on the worsening homelessness situation as reported by the City in April 2018, the ATEHO has outlined a new path forward. This path is designed to stimulate thinking about different ways to respond to persisting homelessness through recommendations in four specific areas:

- Rental Housing Affordability;
- Community Planning;
- Systems Level Approach; and
- Homelessness Prevention

The ATEHO will issue four updates that will provide commentary on the implementation of the 10-Year Plan. These updates will also contain recommendations to the City on potential solutions to ending and preventing homelessness.

NEED TO RETHINK AND REFOCUS THE APPROACH

The Alliance to End Homelessness Ottawa (ATEHO) recommends the City of Ottawa create and implement a variety of approaches to reduce the erosion of affordable rental stock, including incentives for the creation of more rental housing. Specifically, the ATEHO urges the City of Ottawa to:

- 1 Develop and implement a rental replacement policy and bylaw that prohibits redevelopment of existing rental without replacing the existing unit count, configuration and current rent levels.
- 2 Create a revolving loan fund for the acquisition of existing rental housing stock or stock in condominium buildings that may be used as rental, in order to facilitate the provision of such stock as affordable housing by the non-profit sector.
- 3 Create a land trust for public lands, including municipal, as well as federal and provincial lands that could hold lands as a public asset and be used to make housing more affordable.
- 4 Implement inclusionary zoning to require developers (including the NCC) to include a prescribed percentage of units at affordable rents, in exchange for a benefit, usually increased density.
- 5 Continue to offer lands for affordable housing as a component of transit development.
- 6 Consider co-locating affordable rental housing with the development of other new City facilities (such as day cares, libraries, community centres and parks).
- 7 Implement an expedited planning application process that gives priority to affordable housing.
- 8 Leverage all federal and provincial housing programs including the National Housing Strategy and provincial funding for affordable and supportive housing.

BACKGROUND

Resolving homelessness in our City means there must be an increase in rental housing that is suitable, safe, and affordable to those who are homeless or at risk of homelessness. Unfortunately, Ottawa continues to have significant gaps in the availability of affordable housing.



Renter households in core housing need¹ have increased substantially from 27,200 in 2011 to 35,600 in 2016, a 30% increase over five years. Almost one in every three (29%) renters is in core need, up from one in four (25%) in 2011.



The waiting list for social housing has expanded dramatically from just over 10,000 in 2018 to over 12,000 households in 2019



Almost half of the renter households in core need in 2016 faced a severe shelter cost burden, paying more than 50% of their income for rent.



The City reports the vacancy rate for rental housing declined to 1.6% in October 2018, down from 1.7% a year earlier, while a healthy vacancy rate is thought to be 3%.

¹Core housing need is defined by Canada Mortgage and Housing Corporation as falling below at least one of the following housing standards: adequacy (not requiring major repairs), affordability (housing costs less than 30% of total before-tax income), or suitability (enough bedrooms for the size and makeup of resident households according to National Occupancy Standard requirements).

INVESTMENTS ARE INSUFFICIENT

While there have been small increases in the number of affordable rental units funded over the past five years through the City, overall the stock of affordable rental housing has decreased. This drop is due in part to demolition and redevelopment, inflating rents, low levels of rental construction, and stock lost through short-term rentals (for example, AirBnB). Actions must be taken through broader municipal tools to offset the erosion of affordable rental stock.

The City has taken steps, through the provision of capital funding and land, to promote more affordable housing. The City should take additional steps to increase the overall supply of rental housing to alleviate tight vacancy rates and pressure on existing rents. Other cities, including Vancouver, Edmonton, and Toronto have used a variety of tools in order to provide incentives for more rental housing, as well as a focus on rental housing that is affordable.



Change will not come if we wait for some other person or some other time. We are the ones we've been waiting for. We are the change that we seek."

Barack Obama



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