

February 5, 2021

Hon. Peter Bethlenfalvy
Minister of Finance
Government of Ontario
By email to: submissions@ontario.ca



Dear Minister Bethlenfalvy,

Re: Submission to 2021 Budget Consultations

Thank you for the opportunity to make this submission to Ontario's Budget Consultations. We commend your government for recent action on supportive housing for people living with mental health issues and experiencing homelessness. We urge you to continue demonstrating that commitment in your 2021 budget.

The global pandemic has exacerbated the homelessness crisis. In response, the City of Toronto and federal governments are working together in an unprecedented way, to quickly create new affordable housing. These efforts will add some 2,000 permanent affordable housing units opening in 2021, through rapid modular construction, acquisition/renovation projects, and approval of shovel-ready developments.

This effort requires resources from all levels of government and the community-based sector. To ensure that this new affordable housing in 2021 meets the needs of people experiencing chronic homelessness, the essential additional ingredient needed is provincial funding for rent supplement and support services.

This is a unique opportunity for the federal government, the Government of Ontario and the City of Toronto to work together in an intentionally aligned and urgent way, to create much-needed supportive housing.

Action on this is consistent with the Ministry of Health's new *Roadmap to Wellness* mental health framework, and it will help realize the provincial commitment to end chronic homelessness.

As our top priority for the 2021 provincial budget, we urge the Government of Ontario to:

1. Commit new funding for additional support services and rent supplements, intentionally aligned with the new affordable housing projects that the City of Toronto and Federal governments are creating.

- *This will ensure that housing serves people experiencing chronic homelessness or living with mental illness, addictions, acquired brain injuries, developmental disabilities and other health issues.*
- *The rent supplement will be less costly than for private-landlord units and face less cost escalation.*
- *This will seize a historic opportunity, as noted above, to create much-needed supportive housing*

As additional priorities in for the 2021 provincial budget, we urge the Government of Ontario to take the following actions to reduce and end chronic homelessness:

2. Extend a moratorium on evictions.

- As Ontario struggles with the pandemic, many people have lost income and face eviction for arrears.
- The current evictions moratorium does not create a ban on all evictions, and is set to expire soon.
- A longer and stricter eviction moratorium is needed to prevent increased homelessness in 2021.

- 3. *Exempt front-line supportive housing and shelter workers from the Protecting a Sustainable Public Sector for Future Generations Act ('Bill 124') and provide permanent cost-of-living salary increases.***
 - The pandemic has put a spotlight on the vital role of the essential front-line workers, who place themselves at risk while carrying out essential services and supporting our most vulnerable citizens.
 - This includes supportive housing and emergency shelter staff. They work daily with clients whose health status and living conditions create high risk of COVID-19 transmission and infection.
 - These workers are paid much less than government employees or health or education workers.
 - For several years the organizations that employ these workers have not received funding to provide cost-of-living increases to these workers. They now face further constraints under the new Act.
 - Recruitment and retention challenges will be exacerbated in the absence of action on this matter.

- 4. *Sustain existing supportive housing via increased rent supplement funds and a market-based formula.***
 - Providers of supportive housing face big financial pressures in key existing programs, from the widening gap between rising market rents and the outdated Ministry of Health rent supplement funding for programs going back over two decades.
 - This makes providers less able to afford private-landlord rents when a client leaves and a new client can be housed; they are forced to operate fewer units for fewer clients; some are running deficits.
 - Program sustainability requires increased 2021 rent supplement funding to right this historical imbalance, catching up several years of rent increases, plus annual adjustments using a market-based rent supplement indexing formula.

- 5. *Provide portable rent subsidies for people leaving project-based supportive housing, to create flow.***
 - When tenants in dedicated project-based supportive housing are ready to move on to other housing, portable rent subsidies make that feasible.
 - This frees up the dedicated supportive units for others in need, creating flow in the system.
 - Action on this would be consistent with the recommendations of the Auditor General of Ontario.

- 6. *Expand the MCCSS Youth In Transition Worker funding to help end youth homelessness.***
 - One-third of people experiencing homelessness in Toronto were first homeless as children or youth.
 - Helping youth move out of homelessness has big benefits in well-being, and in future system costs.
 - Rising needs call for added funding for workers who help youth move from homelessness to housing.

- 7. *Expand the Canada-Ontario Housing Benefit***
 - Many people experiencing chronic homelessness can live in private rental if rent subsidy is provided.
 - The new Canada-Ontario Housing Benefit (COHB) is an important new program that helps with this.
 - TAEH supports the City of Toronto's request for additional COHB funding to assist 1,000 more clients.

8. Invest in local Coordinated Access Systems, including required data infrastructure

- To end chronic homelessness, we need to know who is homeless, and the ability to assess their needs, triage, and match them to appropriate housing and support services.
- We are pleased to know that your government is exploring this best practice and we encourage you to provide the necessary resources to ensure its successful implementation across Ontario.

How our recommendations align with existing Ontario Government priorities and directions:

The actions we are urging in this submission are aligned with the priorities of your government and your commitment to end chronic homelessness.

As your government has stated, supportive housing is a vital form of support for people with serious mental health issues and/or substance use challenges who are experiencing chronic/episodic homelessness. A large body of research shows that when people are housed their physical and mental health is better, they have less police/justice involvement, and rely less on expensive hospital and emergency services.

These recommendations are aligned with Ontario's new *Roadmap to Wellness* policy framework for an integrated mental health and addictions system. The *Roadmap* gives much-needed priority to supportive housing. It identifies supportive housing as one of the core services for people with moderate and severe needs. The *Roadmap* names supportive housing is one of seven main priority areas for expanded services.

Alignment with options in the 2021 Budget consultations online survey

Further action on supportive housing is aligned with several points in the 2021 Budget consultations online survey, and we note these here in response to that survey:

Question 1 – What are the top 5 priorities. The online options list includes the following points:

- **Providing more affordable housing**
- **Improving health care**
- **Supporting people struggling due to COVID-19**
- **Supporting the most vulnerable**

Supportive housing is health/community service that will help actualize each of these priorities.

Question 2 – Resources to protect frontline health care

Supportive housing is part of frontline health care: it serves people with serious mental health issues and addictions, and involves direct contact with clients whose underlying health status and living conditions create high risk of COVID-19. Resources for supportive housing is part of this priority.

Question 3 – Support Ontario could provide to help communities deal with wave 2 of COVID-19.

Supportive housing must be part of pandemic responses. Homeless shelters are short-term collective accommodation where people are close together, creating high risk of COVID-19. Actions in Toronto

and elsewhere to move people out to temporary self-contained accommodation have helped reduced the spread. We need to sustain these approaches amid Wave 2, and move toward more permanent solutions. Housing with supports is a leading long-term solution to chronic homelessness.

Question 6 – Actions that could be helpful in the pandemic. The online options list includes this point:

- **Additional support for low-income individuals and families**

Low incomes are often linked to disabilities and chronic health problems. This includes people with mental health issues, addictions, or long-term homelessness. The pandemic has spotlighted crowded, inadequate housing as a factor closely linked to high rates of community transmission of COVID-19. Supportive housing is a needed part of additional support for low-income people. Strengthening and extending the eviction moratorium will also meet needs in the pandemic.

Collaborating on a multi-year strategy

Supportive housing has a successful track record in housing people who have experienced chronic homelessness. Research shows an unmet need of at least 30,000 units in Ontario, and possibly much higher – plus over 600 units a year for growth-related needs which are predominantly in the Toronto region.

TAEH is completing a ‘Supportive Housing Growth Plan’ for Toronto, in collaboration with the Canadian Mental Health Association Toronto Branch (CMHA), Wellesley Institute, and others. This is an evidence-informed ten-year strategy to expand the supportive housing system in Toronto, to meet serious mental health needs and end chronic homelessness. Success in the strategy will depend on contributions from all levels of government and community-based sources – for capital, rent supplement and support funding.

We have been in contact with officials in provincial ministries about the Supportive Housing Growth Plan, and we look forward to continuing discussions with your government on your critical role in ensuring its success.

Thank you for considering our submission.

Yours truly,

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The Toronto Alliance to End Homelessness (TAEH) is a collective impact initiative with the aim of ending homelessness in Toronto. TAEH is comprised of over 100 partners/participants, including leading supportive housing providers. Our focus is on creating solutions to prevent and end homelessness. With enough will and resources, homelessness can be ‘rare, brief, and non-recurring’ even for people at high risk.