

As We Heard It: A Report on the 2021 BudgetSpeak Meeting

Councillors Leiper, McKenney, King, Fleury, and Menard

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## Introduction

On October 27, Councillors Leiper, McKenney, King, Fleury, and Menard hosted their sixth annual BudgetSpeak meeting. This annual meeting offers residents of the urban wards an important opportunity to provide feedback and suggestions about the draft municipal budget for the upcoming year. The focus of BudgetSpeak 2021 was housing.

Over 200 residents gathered virtually to listen to Isabelle Jasmine, Deputy Treasurer for the City of Ottawa, and Shelley Van Buskirk, Director of Housing Services, give a short presentation about the draft municipal budget for 2021, followed by a panel discussion featuring experts in the affordable housing sector. After these presentations, during which meeting participants were encouraged to share additional ideas and questions in the meeting's chatroom, participants were randomly sorted into smaller groups to have a facilitated conversation with each other, guided by councillors and/or staff, where they shared additional questions, concerns, and suggestions for prioritizing affordable housing in 2021 and beyond.

This report will provide a brief overview of what meeting participants learned during the presentation and panel before diving into the feedback we received during the meeting. This feedback will help guide the councillors' votes on the 2021 draft budget, and we hope this report will provide some useful information for residents who want to learn more about how they can support the development of better housing supports and strategies in Ottawa.

## The 2021 Draft Municipal Budget

Isabelle Jasmine, Deputy Treasurer for the City of Ottawa, and Shelley Van Buskirk, Director of Housing Services, provided a short presentation about the draft 2021 budget, touching explicitly on how the draft budget affects the City's plans to address the ongoing housing and homelessness crisis.

The 2021 Draft Budget outlines how the City will keep up with increased costs of operating ongoing services, maintaining capital assets, addressing program growth, and covering costs related to COVID-19. The Budget also seeks to find efficiencies wherever possible to help fund these increases without putting an undue burden on the taxpayer, but also increases revenue through increased taxation and user fees.

In total, the City spent \$3.76 billion in 2020, with community and social services taking the bulk of that amount at 19%, or \$714 million. 46.7% of the 2020 budget was made up of property tax revenue, and 24.8% was covered by fees and service charges. The 2020 Housing Operating Budget was funded through multiple sources; the municipal, provincial, and federal governments all contribute funds to the City's housing operations, covering services such as the rent supplement and rent-geared-to-income program, emergency shelter services, housing first case management supports, repairs to social housing buildings, the contract for management of the centralized waitlist, and much more.

## 2020 Housing Operating Budget Funding Sources

Budget line	Funding source	Total funding (\$)	Total funding (%)	Allocated for
Housing Programs Total funding envelope \$103.6M	Municipal	81.5M	78%	<ul style="list-style-type: none"> <li>Rent Supplement programs</li> <li>Rent-geared-to-income subsidies (paid to Social Housing providers)</li> <li>Contract for the Centralized Wait List</li> </ul>
	Provincial	2.7M	3%	
	Federal	19.6M	19%	
Community Homelessness Prevention Initiatives (CHPI) Total funding envelope \$51.3M	Municipal	13.9M	27%	<ul style="list-style-type: none"> <li>Emergency shelter solutions</li> <li>Residential Services homes</li> <li>Housing Benefits</li> <li>Homelessness prevention supports</li> </ul>
	Provincial	37.4M	73%	
	Federal	n/a	n/a	
Home for Good Total funding envelope \$2.8M	Municipal	n/a	n/a	<ul style="list-style-type: none"> <li>HF First case management supports</li> <li>Housing allowances</li> <li>First/last month's rent &amp; unit set-up expenses</li> </ul>
	Provincial	2.8M	100%	
	Federal	n/a	n/a	
Housing and Homelessness Investment Plan (HHIP) Total funding envelope \$13.8M	Municipal	13.8M	100%	<ul style="list-style-type: none"> <li>Rent supplements &amp; housing allowances</li> <li>Operating funding for supportive/transitional housing</li> <li>Social housing repair</li> <li>Families First, Youth Futures &amp; other youth initiatives</li> <li>Homelessness Support services &amp; ODSP Application supports</li> <li>Transitional Emergency Shelter Program</li> </ul>
	Provincial	n/a	n/a	
	Federal	n/a	n/a	
Reaching Home Total funding envelope \$7.1M	Municipal	n/a	n/a	<ul style="list-style-type: none"> <li>Housing First case management supports</li> <li>Street Outreach Services</li> <li>Operating funding for supportive housing</li> </ul>
	Provincial	n/a	n/a	
	Federal	7.1M	100%	



## Affordable Housing – 2020 Capital Budget Details

Affordable Housing Draft Capital Budget 2021	Amount	Funding Source
	\$10.0M	2019 Housing Reserve
	\$1.0M	Annual base budget contribution.
	\$0.25M	Land Sales (Affordable Housing Reserve)
<b>Subtotal</b>	<b>\$11.25M</b>	<b>Housing Reserve</b>
	<b>\$3.75M</b>	<b>Development Charge reserve for Affordable Housing</b>
<b>Total</b>	<b>\$15M*</b>	<b>Total Capital for Affordable Housing</b>

**In addition, the 2020 capital budget included \$3.942M under the Ontario Priorities Housing Initiative.**



The 2021 Budget directions set the municipal tax target at 3% overall, which includes a 3% levy for Ottawa Police Services, a 2.5% levy for City-wide services, and a 4.6% Transit levy. Annual additional taxation revenues are forecasted at 1.5%, and user fee and rate program increases will be in accordance with the Long-Range Financial Plan V and Fiscal Framework.

More detailed information about the 2021 Draft Budget, including committee dates and opportunities for engagement can be found on [Ottawa.ca](http://Ottawa.ca).

### Summary of Panel Discussion

The panel consisted of and was moderated by experts in the affordable housing and homelessness prevention sector.

Moderator: Ray Sullivan

Ray Sullivan is Executive Director of Centretown Citizens Ottawa Corporation (CCOC). CCOC is a tenant and volunteer directed private non-profit that houses nearly 1600 mixed-income households in Ottawa's urban area. Ray has worked in the affordable housing sector since 1999, and he's just starting to be able to figure out City budgets.

Panelists

Tina Slauenwhite: Tina is Mi'kmaq and a member of the Indian Brook band, located in Nova Scotia.

In 2002, Tina moved from Nova Scotia to Ottawa to complete her education, and in 2003 received her certificate as an Addictions Worker. Since that time, with a focus on working with marginalized Indigenous women and youth in Ottawa, Tina has held various positions from frontline worker to Executive Director of an Indigenous youth transition house and now the Director of Housing at the Wabano Centre for Aboriginal Health.

In 2014 Tina was appointed by her peers as Chairperson of the Aboriginal Community Advisory Board (ACAB), which is comprised of Indigenous agencies who work with the homeless Indigenous population in the city of Ottawa.

In her capacity as ACAB Chairperson, Tina participates as an active member on various committees, giving voice to the diverse needs of homeless and at risk Indigenous population in Ottawa.

Kaite Burkholder Harris: Kaite Burkholder Harris is the Executive Director at the Alliance to End Homelessness. Prior to this, she has been working at the national level as a Policy Analyst with Reaching Home, the federal government's Homelessness Partnering Strategy. Previously, she worked as a System Planner with the Canadian Observatory on Homelessness and spent a number of years working as the Project Manager for A Way Home Ottawa in preventing and ending youth homelessness.

Having worked as a frontline mental health worker, Kaite has a strong understanding of some of the challenges that people living on the streets face. Motivated by a desire to see larger systems change, Kaite is energized by engaging and mobilizing new stakeholders towards the goal of safe and affordable housing for everyone in our community.

Susan McGee: Susan McGee is the CEO of Homeward Trust, the organization leading Edmonton's efforts to prevent and end homelessness in Edmonton. In 2009, Homeward Trust launched a Housing First Support Program that has helped more than 10,000 previously homeless individuals find a home, contributing to a 43% reduction in homelessness since 2016.

The organization is committed to ensuring culturally appropriate services are available to address the overrepresentation of Indigenous peoples amongst Edmonton's homeless, funding Indigenous Housing First teams operated by Indigenous organizations, offering sector training, cultural services and managing and developing Indigenous housing including Morning Fire Protector, a supportive housing project for Indigenous families and individuals. Homeward Trust has provided funding to over 1900 units of housing, and develops and manages Permanent Supportive Housing with on-site supports.

In addition to her professional work, Susan has been an active member of the community, volunteering on various committees and boards including the board of Canadian Housing and Renewal Association, the CHRA Indigenous Advisory Committee, ANPHA, the Edmonton Community Foundation and others.

Ms. McGee received her B.Sc. in Architecture from Ryerson University, Toronto, and has an MBA through the Edinburgh Business School of Heriot-Watt University. She is a recipient of the Alberta Centennial Medal and the Diamond Jubilee Medal.

#### Panel questions and responses

Q1: Housing insecure and homeless residents are faced with a labyrinth of public and third sector bureaucracy from an under resourced patchwork system when they attempt to access the help they need, whether it be affordable housing options, housing-based case managers and other social workers, funds to stay in place, or related supports. Beyond adequate resourcing, how could our patchwork

system be better organized, reformed, or coordinated? In other words, could funds for affordable housing and related supports be better spent and allocated by the city?

Response: Panelists recommended that to improve this situation we think like people and not like a system, so we can design a system that is useful, friendly, and effective for the people who need to use it. By focusing on collecting important data and following peoples' journey through the system, we can ascertain what needs to be done by service providers, organizations, and governments to create a more holistic system. Understanding that one organization is piece of a big puzzle helps providers determine what they can focus on, but it's important to make sure that everyone working in this field operates on shared data and knows which organization can provide which supports. This kind of cohesive response ensures that people don't fall through the cracks. Importantly, panelists acknowledged that a lot of the barriers in place are intentional, and the City and service providers must be willing to entirely reimagine the systems to eliminate these barriers are much as possible.

Q2: Within the last year, the City has declared a housing and homelessness emergency, and passed an update to their 10-year Plan on Housing and Homelessness. It includes some reasonable ambitious targets, like eliminating chronic homelessness. What is it going to take to get that done in less than ten years?

Answer: Panelists agreed that in order to meet targets there isn't one area where the City needs to be investing; instead, the City needs to be thinking broadly about how to address this problem and investing not only in building more affordable housing but also in prevention and diversion. If the City can intervene before people become homeless, we can reduce the costs spent on addressing homelessness. Focusing not only on those who are chronically homeless but also on people are risk of becoming homeless or newly homeless can help meet those targets effectively. Panelists also stressed that addressing homelessness is a matter of public will – everyone needs to keep the urgency of the issue front of mind and put the pressure on their officials to address the problem. Panelists also emphasized the need to model Indigenous thinking to solve this problem, and not only because 30% of the homeless population in Ottawa is Indigenous – thinking of the problem holistically and of each individual as a whole person is crucial. Finally, scrapping scarcity thinking and approaching this as a solvable problem, while keeping up a relentless and resilient approach, is necessary to end homelessness.

Q3: Affordable housing has several definitions, depending on context, or to whom you are talking. When you call for greater investments in affordable housing, what do you mean by that, and what specific investments do you see as the greatest priority for the city?

Answer: Panelists agreed that there is a range of what is considered affordable housing and service providers and governments need to take a broad approach, because different people have different needs. Staying open to the wide range of possibilities of what affordability can be and how it can be achieved – such as rent subsidies, deeply affordable units, cooperative housing, and supportive housing, to name a few options – can help the City be nimble in addressing the wide range of community needs. Moreover, panelists suggested that investments need to match the data; for example, because 30% of the homeless population in Ottawa is Indigenous, there needs to be a 30% investment of funds in housing and supportive services for Indigenous people. Increasing rent supplements to match the increases in market rent can be a great stopgap to keep people housed while more affordable housing

units are built. Panelists indicated that the most important thing the City can do is to seriously consider every possible option and keep finding innovative approaches.

Q4: One question we often hear from opponents to public spending on social needs is “How do we pay for it?” How do we pay for it? What revenue and policy tools should be pursued by the city to fund significant investments in affordable housing (e.g. budget re-allocation, inclusionary zoning, Municipal Land Transfer Taxation powers, vacancy taxation powers, community land trusts)?

Answer: Panelists stressed the importance of delegating resources as close to the individual level as possible; that means giving people what they need directly, instead of relying on various service providers which may not reach the individual. This move can reduce costs by ensuring that people stay housed and make it easier and faster to build new affordable housing. Panelists also agreed that when building new affordable housing units there must be a focus on quality to ensure that buildings last and are enjoyable to live in. Governments need to rely less on the private market to provide affordable housing, and they need to create regulatory mechanisms to ensure that we retain the affordable housing we do have; for every one new affordable unit built, we lose seven units, and that math simply doesn't add up. Panelists emphasized once again that the most important thing we can do is to remain flexible, creative, and open-minded.

Q5: Beyond providing input at this consultation, what can concerned residents and activists do to encourage or pressure the city to do the right things on affordable housing and other budget priorities of Ottawa residents that tend to not be well reflected in our city's budgets?

Answer: Panelists agreed that getting involved and staying engaged with your local and provincial government, as well as third-party organizations and advocacy groups is crucial. Doing your own research and getting aware of the issues can help you stay on top of the debates at municipal, provincial, and federal levels. Movements grow when people care, so inviting your friends over for a coffee and talking about the issues at play helps get more people involved. We choose the city we want to live in, not only with our votes, but also with our advocacy, so joining organizations and starting initiatives in your neighbourhoods are a key piece of the puzzle.

#### Summary of Breakout Room Discussion

This section of the report will consolidate the feedback we received during the facilitated discussion portion of the consultation. For the sake of brevity, this section won't differentiate between which groups the feedback came from, but will seek to present what residents indicated to be the most important things on their minds

Meeting participants in every group found the topics raised during the panel discussion to be timely and thought-provoking. Residents had some suggestions for keeping housing affordable for low-income individuals and families, such as increasing the rent geared to income to match the increases in the rental market and making portable rent subsidies larger and easier to access. A universal basic income was also proposed as a way to intervene before people become homeless or precariously housed. Participants also suggested that an income-based method of determining who receives priority for housing might be useful; individuals and families with very low or no income would get first priority in this method. Participants also emphasized the need for the City to lobby the provincial and federal

governments for more funding support to help prevent homelessness and build more affordable housing units.

To make our affordable housing system more accessible, meeting participants echoed the panelists' call for a system overhaul. The patchwork system we currently have allows too many people to fall through the cracks, especially as it relies on people becoming homeless before they can get any help. The system also forces people seeking affordable housing to enter the shelter system to get the supports they need for that process, which problematically restricts the choices of these people. The very long waitlist to access affordable housing and the ways in which this system particularly disadvantages newcomers to Canada, families, and Indigenous, Inuit and Métis people is a problem that meeting participants did not think could be solved through a few band aid fixes. Overall, participants echoed the panelists call for giving people exactly what they need and delegating resources as close to the individual as possible. If we reduce the number of hoops that people need to jump through to get a rent supplement or secure an affordable housing placement or any other housing supports, people are more likely to get housed and stay housed.

To address the lack of affordable housing stock, meeting participants suggested a few methods the City could explore. Participants proposed refurbishing unused office building and other vacant properties into housing of various levels of affordability. A greater emphasis on inclusionary zoning and ensuring that new housing developments are well-connected to transit hubs so people of various income levels can move around the city and access the services they need was also mentioned. These areas were identified as good avenues for residents of Ottawa to get involved in advocacy by making their views on these issues known to their councillors and the mayor.

A need for greater diversity of housing types was also identified as essential to reducing the affordable housing waitlist and accommodating the diverse needs of people who experience homelessness and housing precarity. More cooperative housing, more rooming houses, larger units that can accommodate large, multi-generational families, and housing with various level of support were suggested. Participants also remarked that diversifying the housing types and increasing options for supportive housing will be effective intervention to help people maintain their affordable housing placements and ensure fewer people experience homelessness. Participants also noted that a diversity of affordable housing types being made available all over the city can create more diverse and resilient neighbourhoods and reduce the social and class stratification of the city.

Paying for building more affordable housing stock and funding the supports necessary to see people safely housed was a hot topic with meeting participants. Participants suggested something like the land transfer tax that exists in Toronto, or some other kind of housing tax or levy to help generate revenue to build more affordable housing or fund increased supports. This was another area where meeting participants felt the City could press the federal government in particular for more funding support. Participants were also enthusiastic about divesting funds from the Ottawa Police Services and reallocating that funding to social services. Finally, meeting participants stressed the need for the City to work to identify more clearly what the responsibilities for funding are in the private and public sector, so we have a clearer idea of where to direct our energies when advocating for change.

Many other ideas were raised during these discussions. Participants had concerns about ensuring that affordable housing is still good quality housing where people can safely and happily build a home. Participants felt that the City or other regulatory bodies needed to be following up more frequently with



affordable housing providers, especially private sector providers, to ensure that they are using the funding they've received appropriately and centering the needs of their residents. Policy innovation at all levels of government to reduce bureaucratic barriers was also a central concern of participants. Dedicating more time and resources to gathering data about housing and homelessness, especially about what supports people need and the populations most affected by these issues, was mentioned frequently. Without current and thorough data, it is difficult to identify where investments need to be made. Participants also expressed frustration with the lack of ongoing communication from the City about what measures are being taken to solve the housing crisis, and a desire to communication improve. Finally, in the interest of ensuring that affordable housing is quality housing, participants expressed a desire to see more emphasis put on developing communities over buildings, and a focus on creating more soft infrastructure – such as parks, libraries, community centres, and recreation centres – to support increased density in our neighbourhoods.

#### Summary of Questions and Suggestions from the Chat Log

Throughout the meeting participants were encouraged to engage with each other send questions into the meeting's chat log. This section contains a summary of questions and suggestions sent to the chat. For the sake of brevity, not every contribution can be printed here, but we worked to capture the most relevant questions for responses from Shelley Van Buskirk, Director of Housing Services with the City of Ottawa.

Question: Does the city have estimates on what it costs to build affordable housing (land + construction costs)?

Answer: The cost of land can vary widely across the City when looking at urban, suburban and rural land assets and also varies as many organizations, including the City provide the land at a nominal cost. Construction costs, are similar to private sector costs, and are related to the type of construction, building height, other features such as underground parking and site remediation and typically ranged between \$180 to \$250+ square foot, although these costs have been escalating since the beginning of the pandemic.

Question: What are the investment numbers for housing for First Nations/Inuit/Metis peoples?

Answer: The City invests \$2.3 million in funding for support services for Indigenous people which provides funding for outreach, Housing First programming and housing loss prevention supports. Operating funding is provided to Indigenous social housing providers totaling \$1.76 million, in addition to annual capital repair funding.

Question: How much creativity can the city deploy for a housing first approach for the most vulnerable in the pandemic - for instance, with low occupancy in Centretown office buildings, can we negotiate a 6-month shelter program using these empty spaces at a discounted price?

Answer: The City is looking at many options to increase the supply of affordable housing which also includes looking at the conversion of non-residential space (commercial, hotels/motels) into both temporary space to support physical distancing over the course of the pandemic and to convert into permanent affordable housing.

Question: Are evictions from affordable housing properties and market rent properties currently taking place in the city?

Answer: The Province of Ontario lifted the eviction moratorium in August to allow evictions from affordable housing properties and market rent properties. The City has provided messaging to both affordable and market housing providers through various networks to promote the supports available under various programs to assist with financial hardship and rental arrears for tenants.

Question: What is the annual target for building new affordable housing (target number of units and target investment)?

Answer: The City's updated 10-year Housing and Homelessness Plan sets ambitious targets to create between 5700-8500 new affordable housing options ( new units and subsidies over the next ten years). The City indicated in the 10-Year Plan report that \$60 million annually is required from all three levels of government to achieve this, with each level of government responsible for 1/3. These figures are being refined through the Long-Range Financial Plan for Housing Services that will be brought to Committee/Council in Q1 2021.

Question: Has the City considered rent banks or interest-free loans to help residents cover costs associated with moving or catching up on rent?

Answer: The City invests \$8 million annually in Housing Benefits, delivered by Employment and Social Services, to help households with rent/utility arrears, first/last month's rent, essential furniture and moving expenses. Eligibility for benefits can be assessed by calling 3-1-1. The City is not currently considering a rent bank or interest free loans to help residents with these expenses but its open to conversation re: the need.

Question: Is the City exploring setting up funds to support the creation of more housing co-ops?

Answer: The City is not exploring funding to set up more coops, however existing coops can apply to City capital funding programs for funding for re-development/re-generation and creation of new housing units

Question: Are there measures in place to match individuals with other individuals seeking affordable housing so they can be placed as roommates?

Answer: The City does not currently have mechanisms in place to match individuals seeking affordable housing so they can be placed as roommates. This is not an initiative that is currently on our workplan.

### Conclusion

Our annual BudgetSpeak event allows residents and councillors the valuable opportunity to hear from each other about their priorities for the upcoming municipal budget. This year we were privileged to hear from experts in the affordable housing sector about best practices the City could explore to address the variety of issues that is tied to the ongoing housing crisis, as well to receive some important feedback and suggestions from residents for how we can solve these problems and support our communities.

The key takeaways from this consultation can be understood in summary as:

- Maintain a broad perspective and stay flexible in our approach to these problems
- Focus on gathering more comprehensive data around housing and homelessness to better inform investments
- Delegate resources as close to the individual as possible to eliminate bureaucratic barriers to accessing essential services
- Increase the focus on diversion and prevention to help people secure affordable housing before they become homeless
- Ensure that a wide variety of affordable housing types with a wide range of supports are available to serve everyone's needs

We offer our sincere thanks to our panelists, to City staff, and to all meeting participants for taking the time to engage with this process with creativity and empathy.