

**5. REVIEW OF LOCAL RULES AND PRIORITIES UNDER THE *HOUSING SERVICES ACT, 2011***

**EXAMEN DES RÈGLES ET PRIORITÉS LOCALES EN VERTU DE LA *LOI DE 2011 SUR LES SERVICES DE LOGEMENT***

**COMMITTEE RECOMMENDATIONS**

That Council approve:

1. The 26 recommended local rules set out in full in Document 1 and as described in this report.
2. That the Manager, Housing Services, be delegated the authority to update the review panel system (Rule 15) as described in this report.

**RECOMMANDATIONS DU COMITÉ**

Que le Conseil approuve :

1. Les 26 règles locales recommandées (entièrement reproduites dans le document 1) et tel qu'indiqué dans ce rapport.
2. La délégation au gestionnaire des Services du logement de la responsabilité de mettre à jour de façon continue le système de comité de révision (règle 15) tel qu'indiqué dans ce rapport.

DOCUMENTATION/DOCUMENTATION

1. Manager, Housing Services report dated 24 August 2017 (ASC2017-CSS-GEN-0006)

Rapport du Gestionnaire, Services de logement, daté le 24 août 2017 (ASC2017-CSS-GEN-0006)

2. Extract of draft Minutes, Community and Protective Services Committee, 31 August 2017.

Extrait de l'ébauche du procès-verbal, Comité des services communautaires et de protection, le 31 août 2017

**COMMUNITY AND PROTECTIVE  
SERVICES COMMITTEE  
REPORT 25  
13 SEPTEMBER 2017**

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**COMITÉ DES SERVICES  
COMMUNAUTAIRES ET DE  
PROTECTION  
RAPPORT 25  
LE 13 SEPTEMBRE 2017**

**Report to  
Rapport au:**

**Community and Protective Services Committee  
Comité des services communautaires et de protection  
31 August 2017 / 31 août 2017**

**and Council  
et au Conseil  
13 September 2017 / 13 septembre 2017**

**Submitted on August 24, 2017  
Soumis le 24 août 2017**

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**Ward: CITY WIDE / À L'ÉCHELLE DE LA  
VILLE**

**File Number / numéro de dossier:  
ASC2017-CSS-GEN-0006**

**SUBJECT: Review of Local Rules and Priorities under the Housing Services Act,  
2011**

**OBJET: Examen des règles et priorités locales en vertu de la *Loi de 2011 sur  
les services de logement***

## **REPORT RECOMMENDATIONS**

**That the Community and Protective Services Committee recommend Council approve:**

- 1. The 26 recommended local rules set out in full in Document 1 and as described in this report.**
- 2. That the Manager, Housing Services, be delegated the authority to update the review panel system (Rule 15) as described in this report.**

## **RECOMMANDATIONS DU RAPPORT**

**Que le Comité des services communautaires et de protection recommande au Conseil d'approuver :**

- 1. Les 26 règles locales recommandées (entièrement reproduites dans le document 1) et tel qu'indiqué dans ce rapport.**
- 2. La délégation au gestionnaire des Services du logement de la responsabilité de mettre à jour de façon continue le système de comité de révision (règle 15) tel qu'indiqué dans ce rapport.**

## **EXECUTIVE SUMMARY**

### **Assumption and Analysis**

Under the current *Housing Services Act, 2011*, the City has the responsibility to establish local policies, known as local rules, regarding certain aspects of the ongoing administration of prescribed rent-geared-to-income (RGI) housing programs. Local rules fall within five primary categories: Local RGI Eligibility Rules, Local Occupancy Standards, Local Priority Rules (priority access to RGI Housing), Wait List System and Service Manager Consents.

The City first established 56 local rules in 2002 under the Social Housing Reform Act, (SHRA). In 2008, the City revised the local rules, resulting in 32 rules which are currently in place. On January 1<sup>st</sup>, 2012 the SHRA was repealed and replaced with the *Housing*

*Services Act, 2011*, once again giving Housing Services the ability to review and update local rules. A workgroup was formed which was comprised of Housing Services staff and housing stakeholders to consider potential revisions to rules, with particular consideration for the changing housing environment and legislation.

Based on the outcome of the workgroup review and stakeholder consultations, Housing Services is now recommending Council approve 26 local rules. Most of the rules have no significant changes from those approved in 2008; instead, they have been merged and/or clarified where appropriate, or updated to reflect changes in legislation. All 26 recommended Local Rules are set out in Document 1 of this report.

### **Financial implications**

There are no financial implications associated with the report recommendations.

### **Public Consultation and Input**

Three primary housing sector advisory groups were included in the consultation, development and review of the report recommendations. The Homelessness Community Advisory Board, the Housing System Working Group and the Housing Stakeholder Advisory Group had individual consultation sessions to review and provide feedback on the draft recommendations. Housing Services held a total of 12 consultation sessions at various locations across the City between January and March 2016. Over 125 individuals attended the sessions, with representation from the housing and homelessness sector, advocates, social housing providers, shelter staff, social housing tenants and Centralized Wait List (CWL) applicants. Based on the results of the consultations and the working group's recommendations, Housing Services is now recommending Council approve the 26 local rules as described in Document 1 of this report.

## **RÉSUMÉ**

### **Hypothèses et analyse**

En vertu de la *Loi de 2011 sur les services de logement*, en vigueur actuellement, la Ville doit établir des politiques locales, aussi appelées « règles locales », sur certains aspects de l'administration continue des programmes de logement prescrits offrant de l'aide sous forme de LIR. Les règles locales relèvent de cinq grandes catégories : règles locales

d'admissibilité à l'aide sous forme de LIR, normes d'occupation locales, règles de priorité locales (priorité d'accès aux logements à LIR), système de liste d'attente et consentement du gestionnaire de services.

En 2002, la Ville a établi 56 règles locales en vertu de la LRLS. Elle les a ensuite revues en 2008 et, de cet examen, il est ressorti 32 règles locales, toujours en vigueur aujourd'hui. Le 1<sup>er</sup> janvier 2012, la LRLS a été abrogée et remplacée par la *Loi de 2011 sur les services de logement*, ce qui a permis aux Services du logement à revoir les règles locales pour les mettre à jour. Un groupe de travail, formé d'employés des Services du logement et d'intervenants du secteur de l'habitation, a donc été créé pour envisager des modifications aux règles, en se penchant en particulier sur l'évolution de la situation du logement et des dispositions législatives.

À la lumière de l'examen du groupe de travail et de la consultation des intervenants, les Services du logement recommandent au Conseil d'approuver 26 règles locales. La plupart diffèrent peu de celles approuvées en 2008, certaines ont été fusionnées et clarifiées au besoin, ou corrigées en fonction des modifications législatives. Les 26 règles locales recommandées figurent dans le document 1 du présent rapport.

### **Répercussions financières**

Aucune répercussion financière n'est associée à la mise en œuvre des recommandations du présent rapport.

### **Consultation publique et commentaires**

Trois groupes consultatifs de premier plan du secteur du logement ont participé à la consultation ainsi qu'à l'élaboration et à l'examen des recommandations du présent rapport. Le Conseil consultatif communautaire sur l'itinérance, le Groupe de travail sur les systèmes de logement et le Groupe consultatif des intervenants du secteur du logement ont, dans le cadre de séances de consultation individuelles, étudié les recommandations provisoires et donné leur avis. De janvier à mars 2016, les Services du logement ont tenu à divers endroits dans la ville un total de 12 séances de consultation. Plus de 125 participants ont répondu à l'appel : intervenants du secteur du logement et de l'itinérance, défenseurs des droits, fournisseurs de logements sociaux, employés de refuges, locataires de logements sociaux et ménages inscrits sur la liste

d'attente centralisée. D'après les résultats des consultations et les recommandations du groupe de travail, les Services du logement recommandent au Conseil d'approuver les 26 règles locales énoncées dans le document 1 du présent rapport.

## **BACKGROUND**

As Service Manager under housing legislation, the City has the ability and the responsibility to establish certain local policies, referred to as local rules, in order to administer, implement and distribute social housing resources, which include access to rent-g geared-to-income (RGI) assistance in an equitable and consistent manner.

The City first established local rules in 2002 under the *Social Housing Reform Act, 2000* (SHRA). At that time, the City established 56 local rules, referred to as Local Policies, as part of a report to Council entitled Social Housing Local Policies (ACS 2002-PEO-HOU-008). Also at that time, by way of service agreement, the City delegated authority to administer the Centralized Wait List for rent-g geared-to-income (RGI) assistance to The Social Housing Registry of Ottawa. This agreement with The Registry continues to be in place.

A set of principles was established as part of the process that led to the 56 local rules. These seven (7) guiding principles were that local policies must:

1. Be clear and easily understood by all applicants;
2. Be equally applicable to all applicants;
3. Provide access to rent-g geared-to-income housing for all eligible applicants;
4. Address the need to relieve economic hardship and disadvantage;
5. Consider the length of time a household has been on the waiting list;
6. Have regard to the Ontario Human Rights Code; and
7. Be consistent with provincial priority rules and other legislative requirements.

In 2008, the City revised the list of Local Policies by deleting 24 rules, modifying 12, and keeping 20 intact, for a total of 32 rules currently in effect. This revision was approved as part of a report to Council entitled Evaluation of Local Policies in Social Housing ([ACS2008-CPS-HOU-0012](#)).

In 2012, the SHRA was repealed and replaced with the *Housing Services Act, 2011* (HSA) as part of the Province's Long Term Affordable Housing Strategy. The HSA, much like the SHRA, continues to allow and require the Service Manager to establish certain local rules.

As a result of the change in legislation, the City's Housing Services formed and led a working group comprised of housing stakeholders to review the 2008 Council-approved Local Priorities. The group considered whether any changes should be implemented due to changes in legislation and the current housing environment. The seven guiding principles, set out above, were again applied by the workgroup and consideration was given to current practices in other municipalities.

Once the workgroup had formulated proposed changes to the 2008 Local Policies, broader consultations with advocates, housing providers, support services providers and tenants were conducted in order to determine the level of support for the working group's proposed changes. Housing Services is now recommending Council approve the 26 local rules as described in Document 1 of this report.

## **DISCUSSION**

Most of the proposed rules have not changed significantly from those approved in 2008 but rather have been clarified, merged and/or updated to reflect changes in legislation. The 26 recommended Local Rules can now be broken down into the following five categories:

1. **Local RGI Eligibility Rules** – which set out specific requirements that households must meet in order to qualify and remain eligible for rent-geared-to-income housing as well as the verification mechanisms in place to make such determinations;
2. **Local Occupancy Standards** – which provide the size and type of housing units for which a household qualifies;
3. **Local Priority Access Rules** – which provide, in addition to provincial priorities, certain households with local priority status rather than “chronological” access;



4. **Wait List System** – which provides for a centralized coordinated access system for people applying to RGI housing and to special needs housing under the administration of the Service Manager; and
5. **Service Manager Consents** – which permits the Manager, Housing Services to perform the duty of Service Manager as it relates to providing consent, where appropriate, for the development, mortgaging or transferring of social housing projects, as set out in the HSA.

For ease of reference, the significant changes and newly-added Local Rules that fall under each category are outlined below.

#### **Category 1 – Local RGI Eligibility Rules (Document 1 – Rules 1-15)**

This category pertains to the specific requirements that households must meet in order to qualify and remain eligible for RGI housing as well as the verification mechanisms in place to make such determinations.

##### Maximum Absence from a Unit - Rule 6

*Background* – The HSA now allows the Service Manager to establish a maximum number of days per year (cumulative) that a household may be absent from their unit. The SHRA only provided for maximum consecutive days.

*Recommendation* – Staff is recommending that the maximum 60 consecutive day absence continue to be in effect and that a new local rule be set allowing 90 cumulative days per calendar year, which is the minimum requirement under the HSA. Combined with the new cumulative maximum, this will prevent scenarios of short (less than 60 days) but frequent absences from RGI units, resulting in units not being occupied for several months each year.

##### Over Housed (Occupancy Standards) – Rule 8

*Background* – When a household occupies a unit that is larger than the largest size permissible under legislation, the household is considered “over housed”. This is usually the result of a change in the household’s composition. The HSA allows the Service Manager to establish a process for households to be transferred to a unit that is

appropriate and permissible in size. The Province accords these households priority status to help ensure a transfer occurs in a timely manner.

The 2008 Local Policies required over housed households to apply to a minimum number of communities within the Service Manager area, with the minimum number of selected communities increasing every year the household remained over housed in their unit. It also provided for different rules depending on whether the household resided in rural or urban/suburban communities. Based on the rule, over housed households were able to select communities that had very few of the appropriate size units and where vacancies were infrequent, therefore remaining in their over sized unit for an average of at least three years.

*Recommendation* – Staff is recommending that the local rule be revised to require a household to apply for a minimum percentage of communities that have appropriately-sized units as opposed to a specific number of communities where there may only be a few appropriately-sized units. The percentage of communities for which a household must apply will increase the longer the household remains over housed as follows:

- Year 1 – Households may apply only for appropriately-sized units within their current housing provider's stock. If their current provider does not have appropriately-sized units within their stock households must select a minimum of 10 communities that have appropriately-sized units.
- Year 2 – Households must select a minimum of 30% of the communities that have appropriately-sized units.
- Year 3 – Households must select a minimum of 50% of the communities that have appropriately-sized units.

This change will apply to all over housed households in all social housing communities. The need to have these households move into appropriately-sized units in a timely manner is important in order to ensure that larger units are available to larger families. As per the HSA, households are able to refuse two valid offers but a refusal of the third valid offer will result in the loss of RGI assistance. An offer is considered valid when it is an appropriate size and it is at a property that the household chose on their CWL

application. This requirement will be effective at the end of the first year of being overhoused or after the third offer is made, whichever occurs last.

#### Reporting Changes in Information – Rule 12.1

*Background* - Households are required to report any change that may affect their eligibility for RGI assistance or the amount of assistance payable within 31 calendar days. However, the rule as it is currently written does not allow housing providers to determine that the household remains eligible if they are satisfied that there were exceptional circumstances that prevented the household from meeting the 31-day deadline. The result is such that the City, as Service Manager, must then make case-by-case exceptions. This usually presents as a formal request to review the decision made.

*Recommendation* – Staff is recommending that the rules allow housing providers to make exceptions to the 31-day reporting requirement rule in exceptional circumstances<sup>1</sup> that are appropriate, and well documented. This will provide housing providers the ability to work more efficiently with their tenants and will likely reduce the number of review requests received by the Service Manager where tenants are notified that they have lost eligibility due to missing the 31-day reporting deadline.

#### Review Panels – Rule 15

*Background* – A pilot review system was approved by Council as part of the Local Policies in 2008. Since then, over 1,000 review panels have been conducted, with approximately 200 decisions being overturned and/or substituted with a new decision.

*Recommendation* – Staff is recommending that the Service Manager continue to utilize the Council-approved review panel system when households request a review of a decision affecting their RGI assistance. Staff is further recommending that the Manager, Housing Services be delegated the authority to update the review panel system as required and in consultation with housing stakeholders to ensure that it complies with legislated requirements and incorporates best practices of other service managers.

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<sup>1</sup> For the purpose of the Local Rules, the Service Manager is defining “Exceptional Circumstances” as unforeseen circumstances which were out of the control of the household, are unlikely to occur again and resulted in the household not being able to meet the requirement in order to remain eligible.

### **Category 2 – Local Occupancy Standards (Rules 16-20)**

This category sets out the local rules for determining the size and type of housing units for which a household qualifies.

#### Dependent Children Residing with Household Part of the Time – Rule 20

*Background* – Current Local Policies are ambiguous on whether or not a household is entitled to an additional bedroom when a dependent child resides with the household on a part-time basis. This has resulted in inconsistent allocations amongst housing providers and lacks transparency.

*Recommendation* – Staff is recommending that, where one or more dependent children reside with a household as part of a custody/access order, the household must show proof (custody order/agreement or, if no order/agreement, an affidavit/statutory declaration made before a Commissioner of Oaths) that each dependent child resides with the household at least 50% of the time to qualify for one or more additional bedrooms.

### **Category 3 – Local Priority Rules (Rules 21-24)**

The Province has legislated the two provincial priorities, namely the Special Provincial Priority (victims of abuse) and over housed households. In addition, legislation permits Service Managers to create local priority rules. This section outlines those instances where households may be accorded a local priority status, which takes precedence over “chronological”, or “first come, first served” access.

#### Local Priority Status - Rule 21 -21.6

*Background* – According priority status to certain households recognizes that there are some designated households that should be given priority access to subsidized housing based on their current living situation, notwithstanding the chronological nature of their application. The 2008 Council Report established the following local priorities:

- In Situ Market households – market rent households residing with a prescribed social housing provider that have experienced a significant loss of income since moving into their current unit;

- Displaced RGI households – RGI households who are displaced from their RGI unit due to no fault of their own;
- Homeless households – households that are confirmed as experiencing homelessness;
- Urgent Medical – a member of a household has a terminal illness or life threatening medical condition made worse by the current housing situation;
- Urgent Safety – a member of a household is subject to current abuse from a family member or an extraordinary threat to personal safety by a non-family member; and
- Graduates of Supportive Housing – tenants of a supportive housing agency that are now capable of independent living.

The composition of applicant households on the CWL as of December 31, 2016 was as follows:

- 4% of households had a Provincial Priority status;
- 9% of households had a Local Priority status; and
- 87% of households had no priority. Status based solely on chronological application date.

*Recommendation* – Staff is recommending that the six priorities set out above remain in place. Clarifications to these definitions have been made for better understanding and implementation. The recommended revised definitions are outlined in Document 1.

In addition, it is recommended that households be accorded one generic “**Local Priority Access Status**” once eligibility for any and/or all of the local priorities has been determined. This replaces the existing process whereby households may have several local priority statuses attached to the household application. Creating one local priority status eliminates confusion and ‘stacking’ of priorities by households and streamlines the placement process for housing providers. The type of local priority is not relevant for the purpose of placement and ‘stacking’ does not impact the wait times for households.

Selection of Communities by Households – Rule 22

*Background* – At present, a household in receipt of a local priority does not have to apply for a minimum number of units on the CWL. Therefore, households with Local Priority Access Status may remain on the wait list for extended periods of time even though they have priority and should be housed more rapidly based on their pressing housing needs.

*Recommendation* – Much like over housed households, staff is recommending that households with Local Priority Access Status be required to immediately apply for a minimum of 30% of the communities that have appropriately-sized units in order to maintain their local priority status. The required percentage of selected communities for which households must apply will increase to 50% of communities that have appropriately-sized units after 365 days of having a local priority status.

Households with a Local Homelessness Priority will be required to select all appropriately-sized units in all communities. This will result in households being housed more rapidly which is consistent with their urgent housing need and the reason for according the local priority.

Number of Offers – Rule 23

*Background* – All households on the CWL, including those with local priority access status are entitled to three offers of housing. If they refuse all three, they no longer qualify for RGI assistance. Households with local priority access status often refuse several offers and remain on the list for extended periods of time, often years, even though they have priority and should be housed more rapidly based on their urgent need.

*Recommendation* – Staff is recommending that the local rule be revised such that if a household with Local Priority Access Status does not accept the first valid housing offer, they will lose their Local Priority Access Status and be placed back on the chronological wait list. The refusal of the housing offer would be counted as one of the three valid offers to which an applicant household is allowed to receive while on the CWL.

Selection of Priority Households by Housing Providers – Rule 24 and 24.2

*Background* - Currently, social housing providers are required to fill a minimum of two in every ten RGI vacancies with households who have been accorded a local priority.

Some housing providers are selecting households solely based on one type of priority accorded and others are selecting more than the minimum number of local priority placements resulting in longer wait times for those on the chronological list.

*Recommendation* – Staff is recommending tightening the rule for filling vacancies to one in every five RGI vacancies with households that have been accorded a local priority. In addition, the housing provider will only see that the household was accorded the generic Local Priority Access Status (rather than the specific priority). Staff is therefore recommending that details of the specific priority/priorities for which a household qualifies be maintained internally for data/reporting and administration purposes.

#### **Category 4 – Wait List System – Rule 25.1**

*Background* – The wait list system currently in place was established in accordance with the SHRA. The HSA has given Service Managers permission to either maintain the existing system or consider implementation of alternate wait list systems. An alternate system could include a choice-based approach.

*Recommendation* – Staff is recommending that the current wait list system and its administration continue to be utilized. Housing Services is exploring alternate approaches to waitlist management. A working group comprised of sector stakeholders is determining the merits of a “choice-based approach”. A small pilot for a limited test group is being considered in order to determine whether it is an effective approach for some or the entire wait list. Any proposed pilot is dependent upon the Housing Collaborative Initiative’s CWL software system being implemented and functioning at full capacity, which is anticipated to occur in late 2018 or early 2019.

#### **Category 5 – Service Manager Consents – Rule 26**

*Background* - Effective January 1, 2017 the Ministry of Housing (MOH) amended the HSA such that the Service Manager is now responsible to provide consent, instead of the MOH, for certain land dealings.

Housing Services staff has been working in conjunction with MOH since 2011 on joint Service Manager/MOH consents related to scattered unit sales, refinancing and

development. A robust consent evaluation framework and protocol has been developed and successfully implemented.

*Recommendation* – Staff is recommending that the local rule permit the Manager, Housing Services, on behalf of the Service Manager, to continue with the current practice, that being to provide consent where appropriate for the development, mortgaging or transferring of prescribed housing provider properties, as set out in the HSA.

### **RURAL IMPLICATIONS**

All recommendations apply to all households applying for or in receipt of RGI assistance, regardless of geographic location.

### **CONSULTATION**

Twelve (12) consultation sessions occurred at various locations across the City between January 20<sup>th</sup> and March 31<sup>st</sup>, 2016, nine sessions were offered in English and three sessions in French. Over 125 individuals attended, with representation from the housing and homelessness sector, advocates, social housing providers, shelter staff, social housing tenants and CWL applicants. Draft recommendations were presented to each group for general feedback and identification of any possible outcomes, both positive and negative. Feedback from these consultations was used to refine the local rules currently being recommended.

### **LEGAL IMPLICATIONS**

There are no legal impediments to the implementation of the report recommendations.

### **RISK MANAGEMENT IMPLICATIONS**

There are no risk implications associated with the report recommendations.

### **FINANCIAL IMPLICATIONS**

There are no financial implications associated with the report recommendations.



## **ACCESSIBILITY IMPACTS**

Recommendations from this report continue to support households requiring accessible housing. Households will be able to directly access and maintain appropriate accessible and affordable housing to meet their needs.

## **TERM OF COUNCIL PRIORITIES**

The recommendations in this report are aligned with the 2015-2018 Term of Council Strategic Plan and address Strategic Initiative #40 The 10 Year Housing and Homelessness Plan, under the Strategic Priority of Healthy and Caring Communities, specifically the Strategic Objective HC3: create new affordable housing options; ensuring access to, and availability of, a range of housing options to meet the needs of our vulnerable residents for today and tomorrow.

## **DISPOSITION**

1. Housing Services will issue Service Manager Directives that set out operational details of the Local Rules.
2. Housing Services will work with housing providers and the CWL administrator to assist in the implementation of the Local Rules.
3. The Manager, Housing Services, will update the review panel system (Rule 15), in consultation with housing stakeholders, where appropriate, on an ongoing basis to ensure that it complies with legislated requirements and incorporates best practices observed in other municipalities. Changes to the system shall be set out in a Service Manager Directive.