

Pilot of Choice-based Model

Choice-based Rentals - Background

The housing sector, has two primary waiting list models for rent-geared-to-income housing. The first is the current traditional waiting list model where applicants are passive in that it relies on those seeking housing to make an application, be added to selected lists, and wait for an offer from a housing provider. The second approach is the Choice-based model. This model encourages active and ongoing participation by those seeking housing to regularly review housing units, and identifies their interest at the time a unit is advertised as available.

Since the implementation of the *Social Housing Reform Act, 2000*, Service Managers have relied on the traditional waiting list model to manage applications for rent-geared-to-income housing. The current waiting list system requires applicants to pre-select buildings and communities and they may wait several years for an offer of housing. There are long waiting times, during which time applicants' housing needs may have changed. This often results in a slow process for housing providers, as they often must call multiple applicants before finding a suitable tenant.

The Choice-based Rental Model provides applicants with real time availability and access to units, which normalizes the housing search to mirror that of the private market. This system may decrease turnover time and increase efficiencies for the housing system. This is premised on the principle that accurate unit, property and community information was available to the applicant during the unit advertisement phase of the process. It engages applicants with better informed choices and transparency.

Recent changes to the *Housing Services Act, 2011*, opened the door for Service Managers to consider moving to alternate wait list models, including a Choice-based Rental Model for waiting list management. In February 2014 the City of Toronto ran an eight (8) month short-term pilot project called "My Choice Rentals". There were some limitations with the initial pilot given the very small target client group chosen that required significant ongoing support, and the housing portfolio chosen for the pilot. An expanded pilot with a larger, more diverse sample size is being planned

The Region of Durham has also very recently moved to this model, but does not have any observations or results at this early stage. The Choice-based Rental Model is commonly used in many European countries and is gaining popularity in North America.

Choice-based Rentals – Concept

The Choice-based Rental Model encourages more active participation by applicants for housing. Housing providers post vacancies on a regular schedule, often weekly, and include detailed information on the unit, amenities and surrounding community. Eligible applicants view the vacancy, and determine whether they are ready and interested to apply for the unit.

Typically, interested applicants can apply for the unit for a fixed period of time of, 7-10 days. A secondary list is then created based on any pre-determined priority the applicant may have been accorded.

The housing provider is then provided with the list(s) of interested applicants for the unit, by priority category. The housing provider makes offers in accordance with all Provincial and Local Priorities in effect at that time. In the end, the highest ranking applicant would be offered the unit that has expressed direct interest in moving into the available unit.

This system creates a more proactive and transparent approach for housing applicants, and a more active role for housing providers to ensure units are in a good state of repair and marketable at unit turnover.

Choice-based Rentals – Community Consultation

The affordable housing community in Ottawa has been discussing the exploration of alternate wait list models. There have been presentations to community stakeholders sparking interest and discussion about the possibilities of a Choice-based Rental system for housing selection.

In the fall of 2016, a workgroup of housing stakeholders, including the City of Ottawa, was established to design the framework for a possible pilot project. This pilot could commence after the Centralized Wait List (CWL) web-based Housing Collaborative (HCI) software system is completed, and functioning at full capacity in late 2018 or early 2019.

Choice-based Rentals – Pilot Framework

The proposed one-year pilot incorporates a broad range of housing options, with equitable access through a central common process, to be managed as part of the Centralized Wait List Administration. The pilot recognizes that training for applicants, housing providers, and community agencies will be critical. It will also support all applicants participating in the pilot, both initially and on an ongoing basis as they begin their search for units. It is acknowledged that there will be applicants who will require additional, direct support on an ongoing basis. Consideration of the evaluation, monitoring and outcomes of the pilot project, will be developed prior to implementation.

From the onset, the pilot project would target three-bedroom housing stock, offering the opportunity to determine how this system will work for families. If appropriate, a second phase of the pilot would be implemented. It would add one bedroom units, determining its usability for couples, singles and seniors. The two pilot phases will provide an excellent overview of both strengths and weaknesses of a Choice-based Rental Model for Ottawa, relative to the current system.

It is therefore proposed that the Service Manager explore alternate approaches to wait list management, including determination of the merits of a “choice-based approach”. Consideration would be given for the development of a small Choice based Rental Model pilot for Ottawa. Once the Centralized Wait List’s HCI system is functioning a full capacity, a report will be tabled at Council for consideration, outlining the details of the pilot and any costs associated with the pilot.