

EXTRACT OF DRAFT MINUTES 21
FINANCE AND ECONOMIC
DEVELOPMENT COMMITTEE AND
PROTECTIVE SERVICES
COMMITTEE
2 MARCH 2021

EXTRAIT DE L'ÉBAUCHE DU
PROCÈS-VERBAL 21
COMITÉ DES FINANCES ET DU
DÉVELOPPEMENT ÉCONOMIQUE
ET DU COMITÉ DES SERVICES
COMMUNAUTAIRES ET DE
PROTECTION
LE 2 MARS 2021

HOUSING SERVICES LONG RANGE FINANCIAL PLAN

ACS2021-FSD-FIN-0001

CITY WIDE

REPORT RECOMMENDATIONS

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

- 1. That the City's annual contribution for affordable housing as per the Long Range Financial Plan be increased to \$20.6 million per annum. This includes an annual capital budget authority of \$14.6 million for the Affordable Housing capital program starting in 2022 and increasing the annual Development Charge Exemptions budget to \$6 million by 2030;**
- 2. That the annual contribution from taxation for Affordable Housing be increased by \$1 million annually for the next four years (2022 to 2025) to increase the annual base budget capital contribution from \$6 million to \$10 million by 2025, within Council's approved tax target;**
- 3. That the Development Charge Exemptions budget be increased by \$500 thousand annually for the next nine years (2022 to 2030) to**

increase the portion of this budget estimated to be attributable to affordable housing exemptions from \$1.5 million annually to \$6 million annually by 2030, within Council's approved tax target;

4. That the Mayor pursue additional capital funding from the federal and provincial governments estimated at \$283.1 million over the next ten years to contribute one-third share each of the capital requirement for 5,000 new housing units and two transitional housing facilities; and
5. That the Mayor continue to pursue permanent stable operating funding from the federal and provincial governments estimated at \$93.4 million annually over the next ten years to add new housing subsidies, provide enhanced support services, increase emergency shelter funding, and provide operating funding for new supportive and transitional housing.

Councillors R. King, J. Leiper and S. Menard were in attendance for this portion of the meeting.

The following staff spoke to a PowerPoint presentation for both items 1 and 2.

Donna Gray made introductory remarks before introducing those who would be assisting in the presentation and answering questions:

- Wendy Stephanson, Chief Financial Officer, Finance Services
- Isabelle Jasmin, Deputy City Treasurer, Corporate Finance, FS
- Donna Gray, General Manager, Community and Social Services (CSS)
- Sayed Sayah, Director of Housing, CSS
- Shelley VanBuskirk, Associate General Manager, Recreation, Cultural and Facility Services

A copy of the PowerPoint presentation is held on file with the City Clerk's office.

Prior to hearing public delegations, Councillor M. Fleury introduced three

motions pertaining to rent geared to income; the creation of a funding strategy chart and the inclusion of key elements to the annual Housing LRFP updates.

Following the presentation, the Committee heard from the following delegations:

- 1) *Salma Al-Shehabi – Had a brief PowerPoint. She says that the fund is about \$94 million short for housing. Obtaining old hotels is a quick way to increase the affordable housing stock; however, as these buildings are old, they will require more maintenance and repairs much sooner. As such they may end up being more costly in the long run than new construction.
- 2) Ray Sullivan – Centretown Citizens Ottawa Corporation – Strongly believes that the City needs to work with the non-profit housing sector. The City has done a great job on an area that requires a strategy shift. They have worked on a community land trust and wants to work with the city on this serious issue of affordable housing.
- 3) *John Dickie – Eastern Ontario Landlords Association (EOLO) EOLO supports the Housing Services Long-Range Financial Plan, recognizing that among other purposes, the plan forms the basis for lobbying the provincial and federal governments.
- 4) *Deirdre Freiheit – Shepherds of Good Hope - Support from governments and especially the city will allow SGH alone to add a minimum of 68 new units this year via our new build on Montreal Road (42 units opening in a matter of weeks); 8 new units will be added to current location at 745 Castlefrank in Kanata and their new build at 216 Murray will add between 18 and 48 new SH units). This means their organization will add close to 100 new supportive housing units in 2021-2022.

[* All individuals marked with an asterisk either provided their comments in writing or by email; all such comments are held on file with the City Clerk.]

Written submission from:

- *Lowertown Community Association received February 26, 2021*
- *OMRA Shelter Alternatives received March 1, 2021*

Following the delegations' portion of this item, staff responded to members' questions pertaining to, but not limited to:

- Funding for a transitional housing system as opposed to affordable housing
- Strategic planning on possible COVID-19 related impacts for the transition of families
- Flexibility to increase the number of affordable housing that are built annually
- Funding received from other levels of governments and how funding will be allocated in partnership with other agencies who will be building affordable housing units
- Market rental of scattered units is part of the 10-year Housing and Homelessness Work Plan
- If approved, the development charge exemptions budget will increase by \$500,000 annually

After discussion, the Committee voted on the following motions:

MOTION No. FEDC/CPSC 2021 1/1

Moved by M. Fleury

WHEREAS Ontario is the only province where the cost of Rent Geared to Income housing has been downloaded to municipalities, at an \$80 million annual expense to the City of Ottawa.

WHEREAS there are over 13,000 people on the Centralized Waiting List (CWL), in Ottawa, for affordable housing.

WHEREAS the median cost to build a new unit, as modelled in the Housing Long Range Financial Plan, between Ottawa Community Housing and other not-for profit housing providers, is \$120,000.

WHEREAS if the City was released from this \$80 million in yearly operational pressures, it could unlock capital investments of up to 666

new housing units yearly.

THEREFORE BE IT RESOLVED that Council direct the Mayor to write to the Minister of Municipal Affairs and Housing to request that the Province of Ontario cover the expenses of the City of Ottawa's Rent Geared to Income program.

CARRIED

MOTION No. FEDC/CPSC 2021 2/1

Moved by M. Fleury

WHEREAS there are over 13,000 people on the Centralized Waiting List (CWL), in Ottawa, for affordable housing.

WHEREAS The City contributes \$112 million to the Housing Services budget annually.

WHEREAS the Long Range Financial Plan (LRFP) supports financial planning to support the City's 10-Year Housing and Homeless Plan Refresh (Plan) objectives.

WHEREAS this LRFP is a high-level plan and not an executable strategy.

WHEREAS the numbers compiled in the LFRP do not allow for an easy understanding and examination of all expenses, investments and funding identified to respond to City of Ottawa housing goals and needs.

WHEREAS it is unclear how these large spending objectives will have an impact in reducing the CWL.

WHEREAS it is imperative that Council and the community at large be able to easily identify how the planned and requested funding lead to a reduction in the CWL and achievement of the goals outlined in the Plan.

THEREFORE BE IT RESOLVED that prior to April 15, 2021, Community and Protective Services Committee Meeting, staff create a summary

chart that clearly outlines how each funding strategy proposed in the LRFP (operational/capital) advances a new and permanent affordable housing solution and reduces the CWL.

LOST on a division of 5 YEAS and 14 NAYS, as follows:

YEAS (5): Councillor D. Deans, M. Fleury, T. Kavanagh, C. McKenney, C.A. Meehan

NAYS (14): Councillors J. Cloutier, G. Darouze, E. El-Chantiry, G. Gower, J. Harder, A. Hubley, C. Kitts, S. Moffatt, J. Sudds, T. Tierney, Vice-Chair K. Egli, Vice Chair L. Dudas and Chair M. Luloff, Mayor J. Watson

MOTION No. FEDC/CPSC 2021 3/1

Moved by M. Fleury

As the City's Housing Long Range Financial Plan identifies updates being provided to Council on a yearly basis to reflect new information, that Staff, as part of these updates, for ease of understanding and consistency, create a chart outlining the following key elements:

- 1. Centralized Waiting List (CWL) total for that year**
- 2. Total number of singles and families in the shelter system for that year**
- 3. Total yearly operational spending, broken down between homelessness services programs and permanent affordable housing units created (housing subsidies and supports)**
- 4. Total yearly capital spending, with project specific numbers (units created)**
- 5. Cost per unit built in the previous year**

WITHDRAWN

of 15 YEAS and 4 NAYS, as follows:

YEAS (15): Councillors J. Cloutier, G. Darouze, E. El-Chantiry, G. Gower, J. Harder, A. Hubley, C. Kitts, C.A. Meehan, S. Moffatt, J. Sudds, T. Tierney, Vice-Chair K. Egli, Vice Chair L. Dudas and Chair M. Luloff, Mayor J. Watson

NAYS (4): Councillor D. Deans, M. Fleury, T. Kavanagh, C. McKenney