



Housing Poverty: Putting Faces to the Numbers

Between June and December of 2014, members of the Affordable Housing Working Group sampled a diversity of insider experiences of Halifax's affordable housing sector. Thirteen groups were interviewed. This compilation was prepared by the Affordable Housing Working Group of the Housing and Homelessness Partnership, Halifax, Nova Scotia, 20 March 2015.



Executive Summary

Overview

The Affordable Housing Working Group (AHWG) is one of two working groups that form part of the Housing and Homelessness Partnership (Partnership). This consultation represents an important foundational piece for the Partnership as we work together to put an end to homelessness and housing poverty in the Halifax region.

As part of its June 2014 work plan, the Affordable Housing Working Group (AHWG) proposed a series of interviews across Halifax's affordable housing universe. The interviews would introduce the Partnership to the wider sector, and enable the Working Group to get a look inside and put faces to the data it had assembled in the spring.

The mission, structure and membership of the Partnership would be introduced. The commitment of the Partnership's eight members (organizations, institutions and three levels of government) to collaborate and cooperate to end homelessness and reduce housing poverty in the Halifax region would be acknowledged. Its two working groups would be described and the particular interest of the AHWG in Halifax's existing stock of 'affordable' owned and rented, private-, non-profit-, co-op- and public-sector housing, identified – its particular concern being to preserve, upgrade and add to the existing stock.

Our Process

At each interview we explained that it was one of a number of interviews with owners, managers and residents across Halifax's spectrum of 'affordable' housing that would be taking place over the summer and fall of 2014.

Beyond familiarization and networking, the interviews would enable the AHWG to establish the extent and condition of the existing stock, and identify problems relating to its retention, upgrading and growth.

Our intentions for the interviews were straightforward – information sharing, identify opportunities for collaboration, get a better understanding of the sector, and establishing a relationship. What we found was both deeply moving and disturbing. Without exception, our respondents were unguarded and more than willing to share their opinions, experiences and knowledge. The material they've provided and we've assembled is powerful enough that we've been provoked both to reconsider our initial work plan, and to redouble our efforts to put an end to the underlying causes of housing poverty in Halifax.

We did not record our interviews and chose not to attempt verbatim transcriptions of them. However, we did take great care to capture the spirit as well as the substance of our respondents' contributions. While the body of each report is taken up by the interview, we took a bit of space at the conclusion of each to record our afterthoughts and ideas about potential projects.

Current Situation

Our individual backgrounds and experiences, as well as a growing statistical data base, provided us with points of departure for our encounter with the sector.

In 2011 the Halifax housing universe accommodated 165,000 households – 103,620 owned and 61,375 rented.

Shelter to Income Ratios (STIRs) are an important indicator of the affordability of home ownership.

- Of the owner households, 15,570 had shelter-to-income ratios (STIRs) greater than 30%, of whom 6,285 had STIRs greater than 50%.
- Of the renter households, 26,220 had STIRs greater than 30%, while of that number 13,280 had STIRs greater than 50%.

In other words, in 2011, a total of 19,570 of Halifax's owner and renter households were spending more than 50% of their gross household incomes on their housing. The vast majority of those would have had gross incomes of less than \$30,000/year.

Households with STIRs greater than 50% are considered to be in deep housing poverty and prime candidates for homelessness.

Speaking of the housing-poor and the homeless, 4,000 people are waiting for social housing and approximately 1,700 people spend nights in Halifax shelters each year.

The numbers are alarming and raise legitimate questions about the effectiveness of our systems of housing provision, social assistance and physical and mental health. What's behind the numbers? What do they mean? Could we be doing better and if so, how?

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Overview of Findings

Consultation Questions

The following questions served as an agreed format for our initial interviews. These questions changed a bit as we became more familiar with the process and evolved to suit the circumstances.

1. What are the key issues around housing affordability in your sector/in the Halifax region?
2. What is working? What is not working?
3. What do you consider to be promising approaches/opportunities?
4. Are there any potential projects that come to mind?
5. What could you do?
6. What could the Partnership do?
7. How would you like to be involved?

Interviews

1. StudentsNS — 20 June 2014

In Attendance:

Josh Bates, City of Halifax/AHWG

Grant Wanzel, AHANS/AHWG Chair

Jonathan Williams, StudentsNS Executive Director

There are approximately 32,000 post-secondary university and college students in Halifax. Of that number, StudentsNS represents approximately 23,000. Halifax's universities provide approximately 6,400 residence places.

Competition for Affordable Housing:

The conversation identified a need for more information regarding the secondary rental stock in Halifax, which is about 1/3 the size of the conventional rental market. It highlighted the impact of student demands for housing on the peninsula in direct competition with those of low income family households. Where there are high concentrations of students, rents are driven up forcing lower income families and individuals to relocate. Students are also reporting being driven off the peninsula by higher rents.

Students are able to afford high rents as they can pool their resources by renting with others. There is a perception that they are less demanding on landlords than low income tenants.

Damage Deposits:

Conflict over damage deposits is a major issue facing the student population. Mr. Williams stated that the Residential Tenancy Act is set up in a way that empowers landlords over the tenant(s). An appeal takes a long time and requires a significant outlay of money. Of particular concern for students is the time it requires. Dalhousie Legal Aid provides help navigating the appeals process to students. A majority of these cases come from the informal rental market (i.e. renting a house) rather than the professionally managed rental stock. StudentsNS sees a possible solution in use in New Brunswick where the government collects the damage deposit not the landlord. i.e. a third party collects damage deposits centrally.

University Housing for University Students:

It seems that in Halifax the universities/colleges assume that if students are not in residence they will find off-campus housing. The housing of students is not the institution's problem, as students will be absorbed by the market. Mr. Williams argued that this will become a bigger problem with the internationalization of the student population. It is estimated that by 2020, 30% of the student population in Nova Scotia will be comprised of international students. These students are often not aware of the local regulations and rules, and are thus vulnerable in the rental market. StudentsNS pointed out that the affordability standard of a 30% Shelter-to-Income Ratio may not apply to students as for most; student life is a temporary situation as they will soon graduate and move up to the middle class. However, StudentsNS recommends expanding the variety and supply of housing for students as current university residences don't offer many spaces for families and mature students, and what is available is expensive.

Partnering Between StudentsNS, Private Sector and the Universities:

Might partnerships with universities and colleges, StudentsNS and the private sector be formed to build more diverse student housing i.e. for graduate students and families, rather than the dorm room style that currently dominates residences? Mr. Williams suggested that the Halifax universities should view housing for international students, most of whom are graduate students, as a business opportunity, perhaps in partnership with a private sector developer. Mr. Williams suggested that the universities should develop a single web portal for rental housing instead of separate ones for each university. He pointed out that the UK has a Student Housing Authority that owns and operates housing. It's co-run by students and universities, and is a model that Halifax could emulate.

Opportunities for the Partnership and/or AHWG to be involved might include:

- A working paper concerning the pressure students put on the rental market and the impact on low income tenants.
- A facilitated discussion between property owners, StudentNS and universities/colleges. The Housing and Homelessness Partnership could play a key role in helping StudentNS partner across the institutions.
- Josh Bates stated that the Halifax Mayor has quarterly meetings with university and college presidents with a focus on retaining international students. There could be a possibility to place the topic of student housing on the agenda of one of the upcoming meetings.
- Engaging private donors (i.e. Margaret McCain) to build residences; universities/colleges leveraging their fundraising abilities.
- As expressed by StudentsNS, a need for more data on the rental market in Halifax.

Afterthoughts for Consideration:

- Post-secondary students are a significant and rapidly growing presence in Halifax's urban centre neighbourhoods. As such, they represent stiff competition for affordable rental housing versus households and individuals of modest means, particularly where the students are readily able to pool their resources. The result is upward pressure on rents, to the point that students themselves are finding it increasingly difficult to find decent and affordable rental housing convenient to their university or college.
- At the same time, affordable rental housing is being lost to demolition, up-grading, condo conversion, re-purposing back to ownership, and white-painting.
- Halifax's universities and colleges provide a total of 6,400 residence places but otherwise seem to leave the housing of their students to the private sector.

Potential Projects:

- StudentsNS is open to taking part in student housing projects in partnership with Halifax, CHFNS, the private sector (in the manner of Killam's project at Dalhousie University), and the area's universities and colleges. The Partnership itself might bring the parties together for a start.
- StudentsNS also suggested a single web-portal would be helpful re: what is available and where.
- StudentsNS proposes a solution to the damage deposit problem in Nova Scotia whereby a third party, e.g., the Province of Nova Scotia, not the landlords would collect damage deposits centrally.

2. Nova Scotia Home Builders Association (NSHBA) — 24 June 2014

In Attendance:

Paul Pettipas, NSHBA Executive Director

Sue LaPierre, United Way/AHWG

Grant Wanzel, AHANS/AHWG

NSHBA Small Home Project:

The NSHBA is the voice of the residential construction industry in Nova Scotia.

Mr. Pettipas identified problems at the municipal level where building 'small' homes is concerned (e.g., regulations about how much has to be covered in the lot). \$576,000 is the average cost of housing on the peninsula, a serious problem when the median family income is \$82,500 in Halifax.

Other Issues of Concern:

Halifax has a great need for a land bank database to know what is available. Currently this information is out of date and inaccurate. Develop an inventory of surplus government buildings/land. There is a need to also know how much is underutilized land. It is important to note that these are not considered surplus until the decision has been made by City Council.

The fees and charges from the government(s) are going up 10% faster than labour and materials. This increases housing costs dramatically and makes it a challenge to build affordable housing.

In answering the question as to how the partnership might help, Mr. Pettipas identified government as one of the biggest impediments to affordability. It could, for example, implement an HST housing rebate. He said the Partnership should advocate for Granny suites, which would allow autonomy for aging parents and also help to spread housing costs.

Afterthought for Consideration:

- The NSHBA as well as IPOANS claim that government imposed fees, service charges, and by-laws impose significant burdens on the cost of housing, whether for purchase or rent.

Potential Projects:

- The NSHBA wishes to launch a pilot project to construct and sell affordable, small-lot homes, and hopes to do so in partnership with Housing Nova Scotia.
- The NSHBA strongly supports the development and maintenance of an up-to-date surplus real property database for all of Halifax, to identify and include all under-utilized land in Halifax.

3. Clean Foundation — 25 June 2014

In Attendance:

Claudia Jahn, AHANS/AHWG

Anne Totten, City of Halifax/AHWG

Chris Morrissey, Clean Foundation Executive Director

Gina Patterson, Clean Foundation

Clean Foundation:

The Clean Foundation focuses on educational programs and community engagement. It has four program areas: sustainable transportation; waste reduction; water stewardship; and energy. The Clean Foundation works closely with utilities (power and water), i.e., works with Nova Scotia Power and their low-income program for electric heating. The Clean Foundation provides energy efficiency to low income families in single detached housing.

Clean Foundation has worked in approximately 40,000 homes over the last 6 years, with 40-45% of those homes being low income. The key issue around housing affordability is identified as energy poverty.

What's working/what's not?

Low income tenants/landlords can be wary of government programs and regulation. Clean Foundation's program representatives are trained to overcome this. Lower literacy rates impact accessibility to programs. Customer trust is an issue. The Clean Foundation will assist customers in navigating through the bureaucracy outside the program.

Promising Approaches/Opportunities:

- Focusing on creating behavioural change

Potential Projects:

- Consider moving into social/public housing as they are currently focused on single, detached family homes
- Building new homes
- Building and retrofitting low income housing and shelters that utilize green technology

What Could The Clean Foundation Do?

- Reduce energy costs to low income families through their energy efficiency programs
- Engage in preventative programming
- Take on transportation projects

What could the Partnership do?

- Identify projects that the Clean Foundation could participate in
- Approach funders; leverage the Partnership

Discussion:

- Public housing sector, starting in the north end. Begin with community engagement, targeting the youth. Clean Foundation's programs and community engagement could reduce operating costs of public housing and for shelter providers. Claudia identified that they struggle with education of energy efficiency and this has an impact on operating costs.
- Potential for the Clean Foundation to engage in education with the housing support workers
- The Clean Foundation could work with the AHWG when projects are identified in the fall
- Partnership could bring the landlords (private and public) to upgrade homes
- The Clean Foundation's work with Dalhousie University around housing, mostly with upgrading lighting
- The Clean Foundation's focus to get into public/social housing
- Emera has an Affordable Housing Working Group with 45 stakeholders on which the Clean Foundation sits

Potential Projects:

- The Clean Foundation is ready, willing and able to assist households experiencing 'energy poverty' in a variety of ways and expressed an interest in working with Halifax's shelter providers, co-ops, non-profits and the Metropolitan Regional Housing Authority (MRHA). AHWG interviewers have already referred Dartmouth Non-Profit Housing Authority (DNPHS), Harbour City Homes (HCH), Co-operative Housing Federation of Canada - Nova Scotia office (CHFNS), and the MRHA to the Clean Foundation, in the hope that some or all would be able to take advantage of the energy-upgrading resources that the Clean Foundation is offering.
- Clean Foundation provides training programs and would be open to training Halifax's Housing Support Workers.
- IPOANS might benefit from contact with Clean Foundation.

4. Investment Property Owners Association of Nova Scotia (IPOANS) — 8 July 2014

In Attendance:

Jeremy Jackson, Killam Properties/IPOANS/AHWG

Kevin Russell, IPOANS

Peter Polley, IPOANS

Mark Bergman, IPOANS

Rose Marie Howell, IPOANS

Sue LaPierre, United Way/AHWG

Key Issues Around Housing Affordability in your Sector in Halifax?

- Tax levels: all operating costs are taxed, building construction taxes. 1/6th of rent is taxes.
 - Halifax has the highest property tax in the country, not capped for property owners so not capped for tenants.
 - Utilities and other costs are passed along to tenants.
 - In new construction, taxes and permits are high. High rents in new construction also drive rents higher in older stock.
 - Waste disposal costs are growing – they are both uncontrollable costs and keep rising.
- Location: desirable areas cost more. It is not financially feasible to offer affordable units in all areas.

What's working? What Isn't Working? What's Approaches Are Most Promising?

- The housing supplement program works best; IPOANS would like to see more available. They like it best when the lease is in a third party name like Metro Housing Authority or YWCA. Tenant funds are so insufficient that if they miss one payment or rent increases the tenant cannot keep up. They do understand that the tenant paying the rent is good for life skill development.
- CMHA had a program that had great potential, offered money for renovations or new development if rent was kept below market but had bad experiences. One landlord applied but there was no follow up even after trying to pursue several times, giving up after 2 years.
- Killam Properties is a strong proponent of supported housing. They have a new relationship with YWCA. Rents that are in the range of \$650-\$750 are good for supported housing.
- Low interest rates work but that is going to change. There will be less new construction and the market will fill up.
- Halifax's Planning Department is difficult to work with. They have not been interested in IPOANS' input to planning strategies.. The new Mayor and new head planner are an optimistic sign.
- There is a concern that the new Minister of the Department of Community Services is too narrow in focus.
- If landlords are required to provide a percentage of units as affordable housing without bonusing, it will drive up market rents. Currently we feel penalized if we do not provide a % of affordable units versus getting a bonus if we do. For example, we tear down a 6-floor building and are able to rebuild 6 floors only if we offer affordable housing and only 4 floors if we don't include affordable housing.

Do Potential Projects Come to Mind? Could the Partnership Help? How Would You Like to be Involved?

- All expressed interest in being involved and liked the idea of being in partnership with the Province versus being in competition with it.

5. Dartmouth Non-Profit Housing Society (DNPHS) — 5 August 2014

In Attendance:

Peggy MacDonald, DNPHS Executive Director

Garvie Samson, DNPHS Board Member

Steve Hatcher, DNPHS Board Member

Kasia Tota, City of Halifax/AHWG

Grant Wanzel, AHANS/AHWG Chair

The Dilemma:

DNPHS currently has 120 units, reduced from 132. Many units will be paid off within the next two years, presenting a serious problem as mortgage subsidies run out. This results in an approximately \$100,000 reduction in funding that is crucial for the maintenance of the existing housing stock. As a result of the end of subsidies, DNPHS will have to sell off more property. It is currently in the process of selling 12 more units. The estimate is that they will be down to 90 units if DNPHS does not get assistance. Once the mortgage subsidy is gone, the only revenue will be rent. They stated that there is no survival of DNPHS and other co-op and affordable housing organizations without subsidies.

The Province considers affordable housing to be 85% of market rent. DNPHS emphasized the difference between affordable housing and rent subsidies. Rent is not enough to support DNPHS's portfolio. Highest rents are around 75% of market value. DNPHS recently increased maximum and minimum rent. Clientele include individuals with incomes ranging from \$10,000 to \$80,000. It was emphasized that they need the people with the higher incomes to pay maximum rent and utilities to offset costs, and that they also tend to perform maintenance on their units.

Approximately 60% of tenants are paying the minimum rent, while 40% are on rent-geared-to-income assistance (RGI). The gap between the minimum and maximum rent of \$295 will have to close so that all tenants pay 85% of market rent. Target clientele are the working couple with children who can pay rent and utilities. DNHS is not the solution for people on income assistance.

Energy Poverty:

DNPHS emphasized energy poverty as a significant hurdle in the affordability of their units to tenants, and expressed that they were having difficulty finding programs to retrofit their units for energy efficiency. DNPHS's buildings are older and not energy efficient and they lack the capital to invest in making them so. In a previous consultation with the AHWG, the Clean Foundation had identified building and retrofitting low income housing that utilizes green technologies as a possible project. After the meeting, United Way put DNPHS and the Clean Foundation in touch with each other to explore the possibility of working together.

Waiting List:

The people at the top of the DNPHS waiting list for housing have been there since 2012.

Municipal Tax Exemption:

DNPHS currently pays \$126,000 in property tax (25% percent off) and they emphasized that in some units they are paying almost the same amount in tax as rent. They brought forth the idea that the city not charge property tax on the units as this would make up for the shortfall caused by the end of mortgage subsidies.

Working With Housing Nova Scotia:

With the sale of the 12 units, DNPBS intended to use the capital to buy 3 or 4 duplexes. However, Housing Nova Scotia emphasized the money should be put in a capital reserve and used to improve existing stock. Concerns were expressed with Housing Nova Scotia dictating rather than collaborating.

Partnerships:

There are possible partnerships with private sector developers, for example with inclusionary zoning where 10% of units must be affordable housing. There is no housing department in the City to monitor this, but DNPBS identified a possible role for organizations like theirs.

Other Points:

The oversupply of high end apartments was noted, as were the challenges regarding affordable homeownership within the Halifax, the lack of which puts a greater burden on the affordable rental stock.

Afterthoughts for Consideration:

- Without subsidies, DNPBS will not survive. Why? Because energy costs are very high. Because 60% of its tenants are paying minimum rent and 40% are on RGI. So, to subsidize its tenants, DNPBS has been selling off units – first 12 and, shortly, 12 more. They claim they had difficulty accessing government programs of support and exhibited some frustration regarding Halifax's tax exemption to affordable housing groups.

Potential Projects:

- DNPBS seemed to be isolated and would benefit from closer contact with HCH and Clean Nova Scotia.
- The Partnership (and individual partners) might also consider how they might bring up-to-date skills and expertise to the aid of the non-profit housing sector in Halifax.

6. Co-operative Housing Federation of Canada (CHF Canada), Co-operative Housing Federation of Canada - Nova Scotia Office, and Housing Nova Scotia — 3 September 2014

In Attendance:

Bernard Bourque, CHF Canada

Sheryl Kingston, CHFNS

Neil MacDonald, Housing Nova Scotia/AHWG

Josh Bates, City of Halifax/AHWG

Grant Wanzel, AHANS/AHWG Chair

Housing Nova Scotia Presentation:

Housing Nova Scotia provided a presentation regarding the co-ops for which it is responsible. This included an in-depth discussion of the operating agreements (OA) under which the co-ops operate. Neil explained that over the years, Canada's housing co-ops were funded through a series of discrete programs, each with its own terms and OA. Now that the OA's are coming to their end dates, the implications vary across the sector depending on the terms of the OA under which individual co-ops were committed. For some it will be serious but for others, less so.

- Housing Nova Scotia has the following: 44 co-ops representing 1,062 units with Interest Write Down (IWD) OAs; 26 co-ops representing 570 units with Index Linked Mortgages (ILM); and 3 co-ops representing 79 units under Section 61.
- Housing Nova Scotia identified a lack of expertise amongst lawyers, auditors and property managers in dealing with co-ops in Nova Scotia.
- The Social Assistance and repair Program (SHARP) provides forgivable funding of up to \$24,000 per unit for eligible capital repairs. To qualify for the funds, the program requires the board of the co-op to attend training sessions every 12 months. Training includes board basics but also incorporates other issues such as mental health, changes in the Tenancy Act, etc. It is important to note that Housing Nova Scotia mandates the training but does not provide it. CHF Canada provides the training.

Challenges facing Housing Nova Scotia's co-ops:

- The end of OAs means the end of subsidies.
- Aging housing stock.
- For co-ops on leased land, transfer of ownership is complicated.
- Small size of the majority of co-ops in the province. Some are not only small, but also dispersed geographically. CHF Canada is looking to merge and partner co-ops.

Issues:

- In 2017/18 the OAs of almost all of the IWD units will end. This is problematic when combined with the aging stock. SHARP is not enough as it only covers the basics. In a previous consultation with the AHWG, the Clean Foundation had identified building and retrofitting low income housing that utilizes green technologies as a possible project. After the meeting, United Way put both Housing Nova Scotia and CHF Canada in touch with each other, making a total of 3 organizations that have been directed towards the Clean Foundation as a result of the AHWG consultations.
- For the co-ops with ILM mortgages, mortgage payments are a small percentage of their expenses; as such the OAs and the subsequent end of subsidies do not pose as dire a situation.

- It is seen as a problem that many of the co-op boards try to self-manage instead of hiring property managers. However, participation in the SHARP program has reduced the amount of co-ops that are self-managed.
- It was highlighted that co-ops in particular had a high rate of unapproved applications for a Halifax tax grant. A lack of knowledge by one property management firm was identified as the culprit for this particular incident, but capacity building of co-ops remains a concern.
- Is There a Place for Student Housing Co-ops in Halifax?
- The impact of the student population on housing stock in the Halifax and possible solutions were discussed.
- The possibility of establishing a student housing co-op was discussed, but there is currently no mechanism for co-ops to start.
- The question was asked whether the universities could guarantee loans to assist in the start up of co-ops.
- Student housing has been placed as one of the agenda items for the quarterly meetings of the university presidents with the Mayor.
- Students have not been eligible clients of CMHC.
- CHF Canada has been working to identify a pilot program and one of the possibilities identified is to target recent graduates.

Afterthoughts for Consideration:

- Housing Nova Scotia: The lack of knowledge with the tax piece needs to be addressed.
- CHF Canada: Work on the OAs, demonstrating to politicians the need for affordable housing.
- CMHC refinancing is very expensive; CHF Canada has lobbied to have this changed.
- Work to distill the mistrust that co-ops have of Housing Nova Scotia.
- SHARP: some co-ops feel they are being punished as it is a requirement for the funding.
- Follow up with Karen Brodeur from CHF Canada was organized and has been conducted.

Potential Project:

- StudentsNS is open to taking part in student housing projects in partnership with Halifax, CHFNS, the private sector (ie: Killam's project at Dalhousie University), and the area's universities and colleges. The Partnership itself might bring the parties together for a start.

7. Dartmouth Housing Help and Dartmouth North Landlords — 15 September 2014

In Attendance:

Dennis Pilkey, Public Good Society/Dartmouth Housing Help

Mike Burgess, Dartmouth North Landlord

Kasia Tota, City of Halifax/AHWG

Sue LaPierre, United Way/AHWG

Dartmouth Housing Help assists those who are having trouble finding – and keeping – safe and affordable housing.

The Gap Between Low End of Market Rents and Assistance Rates:

Rent for a 1 bedroom unit is \$600 and a 2 bedroom unit is \$700. However, social assistance only pays a total housing allowance of \$535 for a single person (non-employable), \$570 with one additional dependent or a couple, and \$620 for a client with two or more dependents. A single person considered to be employable would be eligible for a maximum housing allowance of \$300 per month. These rents are at the low end and illustrate the gap between housing costs and social assistance.

Other Issues:

- New housing is not affordable as it caters to the high end. There is a need to look at building smaller units and at higher density rather than flooding the market with high end condos.
- There is a disconnect between the municipal, provincial and federal governments. No one is responsible for the big picture.
- Zoning laws are problematic for building multi-unit dwellings. The zoning of Dartmouth's downtown neighbourhoods prevents dwellings of over 3 units. In Dartmouth North, builders can only construct single family homes, but there is no demand to build these in that neighbourhood.
- Shared housing provides housing stock from existing infrastructure and makes home ownership affordable. However, it is problematic for those on social assistance as benefits are clawed back when recipients live in shared accommodations.
- There is a need to be actively encouraging shared housing in non-traditional housing, such as in-law suites and basement apartments. Edmonton has a grant program to encourage this.
- Existing units are not well maintained. There is a need for a mechanism where a third party can intervene. For example when a tenant complains to the Tenancy Board they are forced out of their unit. On the flip side, the Tenancy Board was seen to favour tenants. It was agreed that both unscrupulous landlords and tenants benefit from the current system while others encounter problems.
- High vacancy rates in neighbourhoods with affordable housing, perception that they are not safe communities.
- Lack of 3 bedroom units, a better investment for landlords to rent 1 and 2 bedrooms.
- Diversity – mixed incomes – in the building helps prevent problems.
- Boarding house approach is not supported by current funding.
- Grant money available for individual units from CMHC through Housing Nova Scotia.

What Can Be Done?

- • Opportunities to use the empty Church rectories. Dartmouth Housing Help is working with Christ Church to provide housing with their rectory and the Church is looking for a program partner.
- • Identified the difficulty of accessing government programs for housing providers as impediment to providing affordable housing.
- • Halifax needs to address zoning issues and enforce living standards.
- • Identified the problem of bed bugs in Halifax, as very hard to control and expensive to treat. In Edmonton all new affordable housing has bed bug saunas where everything new coming into the building is placed to kill the bed bugs. Portable ones are also available.

Potential Projects

- The gap between the Department of Community Services (DCS) amount of \$535 and the low end of market rent is a serious problem. DCS may want to reconsider its assistance rates.
- Shared housing is workable but it is a widespread understanding that DCS cuts the assistance of sharing individuals. If this is so, DCS may want to reconsider its policy in this regard. If it isn't the case, DCS may wish to make the policy clear and transparent.
- Existing units are poorly maintained. What can Halifax's Building Inspectors do in this regard?
- High vacancy rates in low rent neighborhoods - Why? Public perception is that they're dangerous, poorly resourced, poorly policed, remotely located, etc. Is this something the Partnership might take on as a shared commitment?

8. Cooperative Housing Federation of Canada (CHF) — 30 September 2014

In Attendance:

Karen Brodeur, CHF Canada

Sue LaPierre, United Way/AHWG

Ms Brodeur identified the key issues around housing affordability in the co-op sector as the end of the operating agreements (OAs) with the federal government approaches, and stated that the current emphasis is on pushing for co-ops to have a plan for the end of the OAs and/or for the federal and provincial government to come to the table. Subsidies attached to mortgages will end and almost all co-ops will have to refinance.

Identified good governance, strong management and planning as 3 keys to successful co-ops – “creating the community is easy, maintaining the business is hard”. Emphasized the importance of mixed income communities, co-ops are part of the answer and fear is that they will become less diversified, like the rental market. Co-ops prevent the creation of ghettos.

Some co-ops will be able to cope with the end of the OAs and make up for the shortfall internally by increasing rent. However, co-ops in Nova Scotia are smaller and they will not be able to do this. The size and scale of co-ops in the Atlantic provinces and Québec is too small; in Nova Scotia, some co-ops are as small as 3 units. We will see forced evictions for lower income renters, losing the mixed income community. They will still be more affordable than market rent as co-ops are non-profits. The most impacted will be the aging, many of whom have been in their co-ops for years.

The small size of co-ops means that they need to figure out partnerships and mergers to increase scale and be sustainable. Partnerships and mergers is the trend in the co-op and credit industry.

Aging infrastructure is also a problem for co-ops; many were built in rehabilitated homes. It is sometimes hard to find leadership so some are self-governed and leadership burnout occurs. There are barriers for co-ops not wanting to change.

Opportunities exist:

- Housing policy in Nova Scotia involved in equity co-ops. People moving to equity co-ops will open up other affordable housing options and in turn free up community services. Wouldn't suggest building new co-ops until looking at the ones that already exist. Redevelopment should be about expansion, not building new units.
- Organizations need to start working together, i.e., people who need assisted living moving into co-ops. Education is needed to work more collectively as there is opposition to change within the co-op community. Find ways to work with government and specifically with Social Assistance. Statistics of vacant co-op units are not kept in Nova Scotia.
- View the Partnership as providing a cohesive response. Currently, individual organizations are concerned about approaching the government at different times for the same ask; this creates a competitive environment. CHF Canada sees the Partnership as fostering a collaborative approach.
- Move towards idea that people be empowered and have a say in their housing, i.e., sitting on the Board of Directors. Providing an opportunity for people to learn and make changes rather than just providing a roof over their head: “It is more than just housing.”

- There were questions regarding what happens to those individuals that cannot be accommodated. Sue spoke about the Homelessness Working Group and the recommendations that were brought forth to the Partnership. It was emphasized that the current form of public housing is not working and that the location of the housing units are in communities that are not serviced – i.e., the public housing in the North End has no grocery stores or banks nearby.

Afterthoughts for Consideration:

- It seems the co-op housing sector is in for some very big changes. All will be affected as their OAs and subsidies come to an end, some more so than others. Those most seriously affected will be the 44 co-ops (1,062 units) with OAs related to IWD Mortgages.
- Many of the co-ops have been poorly maintained and are expensive to operate and heat.
- Almost all co-ops will have to refinance. There will be forced evictions. Older members will be most affected. How to provide for those who get filtered out?
- Small, self-managed co-ops are a problem that has been mitigated to certain extent under the conditions of the SHARP administered by Housing Nova Scotia, and under which participating co-ops are obliged to send their officers for recurring training and upgrades.
- CHF Canada is recommending mergers and is strongly in favour of our non-profit co-ops moving to the equity model.
- CHF Canada strongly recommended not building new co-ops until the existing ones have
- consolidated.
- Other recommendations included: encouraging individuals requiring ‘assisted living’ to join a co-op; keeping statistics centrally on co-op vacancies; and, finding ways to work more effectively with DCS.
- The Partnership is a promising development as it provides a cohesive response. Currently, individual organizations concerned about approaching the government at different times for the same ask, creates a competitive environment. CHF Canada sees the partnership as fostering a collaborative approach.

9. Take Action Society — 1 October 2014

In Attendance:

Roseanna Cleveland, Take Action

Jody and Lyssa Peters, Take Action

Kasia Tota, City of Halifax/AHWG

The Take Action Society teaches children about poverty in their own backyards and plants the seed that they can reach their potential despite their surroundings.

High Vacancy Rates + Relatively Affordable Rents. Why?

The AHWG has observed that some neighbourhoods have affordable rental housing available, but high vacancy rates. Take Action agreed that this is applicable to Dartmouth North and went on to explain that this is partly due to the negative perception of the neighbourhood. Take Action is working to transform the perception of Dartmouth North by reclaiming the neighbourhood, e.g., through community gardens and community clean ups.

Key issues regarding affordable housing in Dartmouth North:

- Many multi-bedroom units in public housing are occupied by childless adult residents; children have grown up and moved out.
- It's been observed by residents that there is some abuse of the system occurring, where tenants can afford rent elsewhere but are living in public housing.
- Spouses not claiming income.
- Application process and being on the waiting list is time consuming for individuals needing affordable housing. Need to keep in constant contact with the housing office or else get shuffled to the bottom of the pile. Not many people are willing or able to do this.
- Working poor are combining resources and living together. This is problematic when on Social Assistance as benefits are cut.
- Affordable housing is located in areas with run down and abandoned buildings, and high rates of crime.
- Program that installed cameras in the buildings helped reduce crime and showed the tenants of the building that they were cared for.

Property Management and Maintenance Issues in Public and Private Housing:

- Landlords don't keep up with maintenance on the buildings and units.
- Buildings are old and require more maintenance that is not done.
- Constant nagging required to have things fixed, e.g., toilet was broken for 3 weeks and it took contacting the City of Halifax for it to be fixed.
- In some public housing units raccoons were living in the attic, attics sealed off from use but raccoon mess was not cleaned up prior.
- Bed bugs are a huge issue. Public housing sprays for bed bugs every 90 days, but does not warn tenants when they will enter units. This is extremely problematic as pets and humans have to be out of the residence for a minimum of 4 hours, but the recommended is 8 hours.
- There is no tenants association in the public housing in Dartmouth North but neighbours are working together. This is not the case for a neighbouring complex however.

- Take Action emphasized that there should be more public spaces around the neighbourhood, e.g., public gardens, sitting parks.
- Highfield Park feels isolated from the city: Take Action pointed out that there are no grocery stores, banks or other services in the neighbourhood. As a result corner stores have raised prices on staples such as food and milk, and it is cheaper for families to buy junk food.

Quality of Schools in the Area:

There is a reluctance of people from both low income and higher income levels to move to the area due to the perception of the neighbourhood and the poor outcomes at Harbour View Elementary School.

- Grade 8's are graduating with grade 2 literacy rates and at the secondary level, a 50% dropout rate from high school.
- Pathways won't expand into Dartmouth North because they don't believe the program will be successful as the foundation level is so low. There is a need to find or develop a program geared towards the elementary level.

Other Issues:

- The neighbourhood has a high turnover rate with short term tenants.
- There are too many apartments and not enough single dwelling units in the neighbourhood.
- An emphasis on home ownership sets down roots and encourages people to take interest in what is happening in the community.
- Social assistance considers a telephone a luxury. It will provide \$34/month with a doctor's note that proves that the telephone is needed for medical reasons. A couch and dresser are also considered luxuries. This increases the prevalence of bed bugs as people bring furniture in off the street or are directed to second hand furniture stores.
- More access is needed to businesses for employment in the community.
- Throughout the consultation, the impact of the family's housing situation and the perception of the neighbourhood on the children was emphasized.
- It was emphasized that the community needs to have housing available for a mix of income levels – from low to mid range.
- It was stated that people are not aware of and/or don't think that calling 311 will solve problems in their community. They suggested education and more presence of 311 in the community, e.g., ads stating "Do you notice...? Call 311." Take Action is going to plan another neighbourhood walk about with the group. Kasia spoke about a Vancouver database for housing that lists complaints against and violations of various landlords. This provides motivation to be a good landlord without licensing. Nova Scotia does have a bed bug report website but it is not validated.

Potential Projects:

Discussion generated suggestions for several projects, some of which might be undertaken by the Partnership as a whole, and others by individual members of the Partnership.

- Empty nesters are occupying family units in MRHA housing. Over-qualified individuals are occupying MRHA units when they could afford to be renting privately.
- MRHA's waiting list is pain, requires constant contact.
- House-sharing will work but DCS cuts your benefits if it finds out.
- DCS considers a phone a luxury if it's not required for medical reasons. DCS also considers sofas and dressers luxuries.
- There is no tenants association in MRHA in North Dartmouth.

- There is affordable housing to rent but it's old and in need of repair, and located in run-down, dangerous areas where you have to nag your landlord.
- No services and few if any public amenities, e.g., as cared for public open spaces, gardens, etc.
- Highfield Park is isolated, poorly serviced by shops and amenities. There is no grocery store just a corner store where food is expensive and of poor quality. It's also the case that there are few if any local employment opportunities.
- No one wants to raise their children here. The schools are very poor - literacy rate at grade 2 level and HS drop-out rate very high.
- A greater mix of housing-types and tenures might attract a greater income mix, and in time could have many other community-wide benefits.

10. Harbour City Homes (HCH) — 2 October 2014

In Attendance:

Bob Thomson, HCH General Manager
Cheyenne Jones, HCH Rental/Property Manager
Grant Wanzel, AHANS/AHWG Chair
Claudia Jahn, AHANS/AHWG

Discussion:

HCH owns and manages 221 apartment units on 31 properties, the large majority of which are located in the inner north end of the Halifax peninsula. For the purposes of upgrading, approximately 10% of the stock is vacant at present. Tenants include students, families with children, single mothers with children, immigrants and refugees.

The unit breakdown is as follows:

- bachelor units
- 1 bed units
- 2 bed units
- 3 bed units

Property Issues:

A great many of HCH's buildings have Halifax's 'Heritage' designation. These buildings require constant attention, are expensive to maintain and, relative to their cost to operate and maintain, generate little if any income. Otherwise, after years of inadequate maintenance and artificially low rents, the stock as a whole has fallen into poor condition and as is, is unsustainable. For example, HCH is under pressure from the Fire Marshall to replace the sprinkler system in one of HCH's 4 unit buildings at a cost of \$40,000. This must be done immediately OR HCH must install a security guard 24 hrs/day OR they must vacate the building.

Towards a Financially Sustainable Future:

HCH has taken a business decision to become financially sustainable, hoping eventually to rely as little as possible on government grants. It has strengthened its Board and adopted more effective management and business practices. To this end, HCH has increased rents to cover maintenance and upgrading costs. As well, HCH has obtained 60 rent supplements* from Housing Nova Scotia, which it has principally applied to its 'Heritage' buildings.

* Re: Rent Supplements, our interviewees were not aware of the procedure by which recipient organizations are able to apply for annual adjustments to the level of the supplements they receive. They will pursue.

HCH has initiated a systematic renewal program and is patiently upgrading** its stock one building at a time. HCH estimates that now many of its tenants are probably paying more than 30% of their incomes on rent. HOWEVER, HCH rents still remain below market rents in the area. Where at one time, HCH 'carried' many of its tenants, it no longer does so. HCH will not rent to households who won't be able to afford the rent. Depending on the circumstances, HCH may grant some leeway on utility costs.

** Re: Upgrading, our interviewees were not aware of the existence of Clean Nova Scotia and its program to assist property owners with energy upgrades. Claudia will forward the contact person's name and e-mail address. They will pursue.

Program Administration Issues:

HCH does receive Halifax tax exemptions on the properties it owns. However, Halifax charges HCH property tax on the properties HCH leases from Halifax. HCH has never received from Halifax hard copies of the documents indicating HCH has title to the properties it owns. The good news is that as of the date of our interview, our interviewees estimated they were within days of securing title to 5 more of their properties from Halifax.

Meanwhile, Halifax has offered HCH right of first refusal on 10 bare properties. HCH very much wants to make a deal at \$1/lot. However, CMHC has a 50% interest and is holding things up insisting on its 50% share at full market value.

Re: HCH's Operating Agreements with CMHC, some years ago HCH obtained a loan and paid out some (all?) of its mortgages. Our interviewees were unclear as to how this would/wouldn't impact HCH obligations under its Operating Agreements with CMHC. They will follow up.

Other Concerns:

In the not too distant future, HCH hopes to launch its own program to assist some of its tenants to eventually become independent of HCH. Both our interviewees spoke enthusiastically of a process whereby working with all levels of government, HCH would cover the costs of rent, childcare, utilities, education and transportation, thereby eliminating major obstacles that might hinder participating tenants from pursuing their educational goals. They were aware of Boston's highly successful Bridge to Self-Sufficiency program, which has similar objectives. We suggested that the Partnership might offer support via several of its partners.

Notes:**A Bright Spot for Consideration:**

- HCH has a mixed portfolio of 31 old and newer buildings. A number are designated heritage properties. The remainder were for the most part purpose-built in the 1980's. The heritage properties are expensive to maintain and generate little income. The whole stock has deteriorated and is no longer sustainable in this condition.
- With the assistance of the City of Halifax and Housing Nova Scotia, HCH is taking steps to ensure its survival. Rents will increase to the point that many HCH tenants will be paying more than 30% of income, but their rents will still be below the low end of market rent and they'll be living in newly upgraded and more sustainable housing stock
- HCH has made a business decision to become financially sustainable and to that end has taken a number of steps:
 - vacated about 10% of its units until they can be upgraded
 - increased rents to cover upgrading and maintenance costs
 - obtained 60 rent supplements to help off the rent increases

Potential Projects:

- HCH receives tax exemptions from the City of Halifax for the properties to which it has clear title but the City has been slow in acknowledging Halifax's ownership of all the properties it manages. This works to HCH's disadvantage. Similarly, while HCH has been offered 10 vacant properties by the City, CMHC is holding out for 50% of the full market value of said properties.
- Halifax re: remaining property titles to be transferred.
- Halifax and CMHC re: negotiation over value of 10 vacant properties.

11. Metropolitan Regional Housing Authority (MRHA) — 23 October 2014

In Attendance:

Janet Burt-Gerrans, MRHA CEO/General Manager

Robert Lundrigan, MRHA Rental/Property Manager

Claudia Jahn, AHANS/AHWG

Grant Wanzel, AHANS/AHWG Chair

The MRHA is responsible for the administration and management of the rental housing units in the Halifax region.

Our interview started with a few facts and then jumped into a discussion of issues which MRHA faces at present. First the bare facts:

- MRHA houses +/- 5,000 households with a total of +/- 7,000 persons
- 40% (2,000 units) house families; 60% (3,000 units) house seniors

Robert and Janet estimated that 25% of MRHA's tenants suffer from serious, untreated mental-health and/or -disability issues. That number does not include those suffering drug abuse and addictions, some of which are related to the stresses of poverty, others to chronic conditions. Roughly, 1750 tenants out of 7,000 have mental health issues. Yet, Janet and Robert observed that access for MRHA's tenants to much needed mental and physical health services is restricted. So too is access to other services (house-cleaning, bed bug control, counseling, trusteeships, housing support workers, diet/health and well-being, continuing education, etc.) needed by its tenants, limited. As a result, the MRHA is left on its own to do what it can to provide services which seem to be widely available to shelter- and service- providers in the nonprofit sector.

Roughly 75% of MRHA's housing stock dates back to the 1950's, 60's, and 70's. The balance, mostly seniors housing, was built in the 80's. In other words, even without the hard use and abuse it gets, the aging stock, built in a different era to comparatively low standards, is VERY expensive to heat, maintain, and keep in running order. Day to day, MRHA is in crisis management mode, with emergency repairs and unexpected demands constant challenges to the budget.

Many of MRHA's family households have been with the Authority for two and three generations. By now, many are empty-nesters and significantly over-housed. But they want to stay put and have successfully claimed 'this is our home and neighbourhood and we don't want to move'. Despite Housing Nova Scotia's insistence on an "In-Up-and-Out" policy, MRHA has sympathized with their tenants' 'stable neighbourhood' pleas. Thus, MRHA has a self-inflicted 'bottle-neck' problem and as a result has a limited ability to accommodate a long list of households looking for appropriate, family housing.

A significant number of MRHA's tenants are recipients of Income Assistance (IA) administered by the NS Department of Community Services. IA cheques go directly to their recipients without automatic and direct rent payment to MRHA. As a result, MRHA has a major difficulty collecting unpaid rents. Accumulated rental arrears are by now a major financial burden on the Authority. Similarly and for the same reasons, damages sometimes amounting to tens of \$1,000's, cannot be recovered. The MRHA administration has limited its options, for example preferring NOT to evict unworthy, abusive, violent and dangerous tenants except as a last resort. The rationale: eviction is difficult, costly, and traumatizing both to the Authority itself and to its tenants. Besides eviction into homelessness is simply not an option.

Looking Ahead:

The MRHA has a low profile, even though the well-being of its 5,000 units and 7,000 households is of considerable importance to Halifax's own well-being. By size alone, the MRHA is irreplaceable. The good news is that as daunting as is the list of issues facing the MRHA, most seem solvable with patience and persistence. Certainly, MRHA's CEO and General Manager Janet Burt-Gerrans and Rental/Property Manager Robert Lundrigan expressed their commitment to do all they can to make MRHA's neighbourhoods better places in which to live. Both Janet and Robert also indicated their willingness to work with the Housing and Homelessness Partnership to end homelessness and confront housing poverty. This willingness to collaborate makes MRHA's seeming isolation all the more puzzling. In our opinion, both the Partnership and the MRHA and its tenants would benefit from its inclusion in our collective efforts to end homelessness and confront housing poverty.

Afterthoughts for Consideration and Potential Projects:

MRHA houses 5,000 households, a total 7,000 adults and children. Roughly 75% of the units (3,000 for seniors and 2,000 for families) were built in the 1950's, '60's, 70's and '80's. The stock is old, aging badly, very expensive to heat and to maintain. Besides the deferred maintenance deficit is very significant. The cost to bring the stock up to a fully acceptable performance standard is not known. What that cost is and whether there's a business plan to address it are important questions.

MRHA is in 'crisis management mode' all the time, with constant challenges to the budget. What would it take for MRHA to receive sufficient and stable funding? Is that even possible? MRHA estimates that approximately 25% of its tenants suffer from serious, untreated, mental-health and -disability issues. We were told that MRHA tenants have restricted home access to mental and physical health care and support. So too is access to other services restricted eg. house-cleaning, bed bug control, counselling, trusteeships, housing support workers, diet/health and well-being advice, continuing- and adult-education, enriched after-4 programs, etc. MRHA is more or less on its own to do what it can.

As a body, the Partnership might sponsor a project to design and implement a comprehensive 'Circle-of-Care' to be universally available across Halifax to MRHA tenants, tenants of non-profits, co-operatives, shelters, group homes, supportive housing, etc.

Our informants spoke of a dilemma which pits a long waiting list for family housing against a growing number of over-housed, empty-nesters who have successfully resisted efforts to relocate them to more appropriate housing. What actions might be taken that would ease the pressure and reduce the bottleneck?

MRHA has a significant and growing arrears deficit swollen by uncollected rents and uncollected charges for tenant-inflicted damages. To some extent MRHA's inability to collect arises from the fact that DCS pays rent cheques directly to MRHA's tenants. Is there some way that MRHA's deficit could be written off and a direct-pay-of-rent to MRHA substituted for the current approach?

The MRHA and its stock of 5,000 units is an irreplaceable asset. It must be considered an integral part of Halifax's universe of affordable housing. And as such, the management of MRHA should be included as an important participant in the work of the Housing and Homelessness Partnership.

12. Jeremy Jackson, Killam Properties & IPOANS — 26 November 2014

In Attendance:

Jeremy Jackson, Killam Properties/IPOANS/AHWG

Grant Wanzel, AHANS/AHWG

Claudia Jahn, AHANS/AHWG

Data on IPOANS and Killam Properties:

IPOANS represents between 400 and 450 property owners across Nova Scotia, who together account for a total of +/- 38,000 residential units. The majority of members are based in Halifax, as are the majority of their units. Killam Properties is Halifax's largest private sector, owner/manager of residential rental housing, accounting for a total of 4,911 units.

The attached spread sheet provides a snapshot of Killam's housing stock in Halifax, by location and rent range and indicates that fully 46% of Killam's stock rents for less than \$850/month*. 33% of all of Killam's units are located on the Halifax Peninsula of which 31% rent for less than \$850/month. Of the 34% located in Dartmouth, 71% rent for less than \$850/month. Of the 26% located in Clayton Park/Fairview, 34% rent for less than \$850/month. Whereas, of the 7% of Killam total number of units which are in Bedford, 46% rent for less than \$850/month.

Units that fall within the Rent Categories

Property	\$650		\$650-\$749		\$750-\$849		\$850-\$999		\$1,000-\$1,199		\$1,200+		Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
Halifax Peninsula	101	6%	79	4%	347	21%	275	16%	539	32%	298	18%	1,639	100%
Clayton Park-Fairview	4	0%	170	13%	219	17%	491	39%	308	24%	64	5%	1,256	100%
Bedford	4	1%	28	8%	127	37%	111	32%	15	4%	52	15%	337	100%
Darmouth	85	5%	447	26%	682	40%	203	12%	63	3%	199	11%	1679	100%
Total	194	4%	724	15%	1,375	28%	1,080	22%	925	19%	613	12%	4,911	100%

* With rent of \$850/month, a household would have to have a gross household income of \$34,000/year in order to have a Shelter-to-Income ratio of 30%.

Killam Properties and Student Housing:

About 32,000 students attend Halifax's post-secondary universities and colleges, several thousands of whom are represented by StudentsNS. At any time, Killam rents about 10 to 15% of its stock in Halifax to post-secondary students. Several years ago, Killam Properties acquired a purpose-built apartment building on South Street to accommodate Dalhousie students. The land on which it is built belongs to Dalhousie University and Killam has a 99 year lease. Interestingly, this model of student housing has been quite successful here and also across the US and is now under active application by the administration of York University, Toronto. Were StudentsNS and Halifax's Universities open to the idea, more widely applied, this model of student housing could significantly reduce the pressure of competition on Halifax's affordable rental housing stock.

Rent Supplements and the Private Sector:

Housing Nova Scotia's recently announced Rent Supplement Program means 300 private sector units, province-wide, will be subsidized. The program was designed to have private sector landlords offering multiple apartments to Housing Nova Scotia at a volume discount. Some may choose to offer a simple discount off all units, while others may choose to offer a 50-50 arrangement. (i.e. One unit at full

market rent, and provide a second at a subsidized rent to a Housing Nova Scotia client.). Killam has offered to supply 50 apartment units initially, half of those at a subsidized rate and given the waiting list of about 2,000 households, Mr Jackson is confident that there is widespread interest across IPOANS members in Halifax. Premier MacNeil and Minister Barnard announced the Program on October 28th. Killam submitted its application on November 4 and is expecting a response imminently.

Halifax Locations Where Low Rents Coincide With High Vacancy Rates:

Mr Jackson agreed that this coincidence is largely marked in three locations in Halifax – North Dartmouth, Spryfield and Fairview/Clayton Park. He not only agreed that this corresponds with Killam’s experience, but also that were the Partnership to identify locations for likely projects, these three would come to the fore.

Reasons for the Success and Slow Decline of the 250 Homes Project:

The 250 Homes Project was initiated by the Department of Mental Health of the NS Ministry of Health. Killam Properties was approached in late 2008 by the Department and agreed initially to create a pilot program whereby Killam would offer up 10 to 20 units to the Department’s clients at the DCS rate of \$535/month. In 2009, the Program pilot was so successful that the 20 units grew to 45 units at its height. Killam was and still is enthusiastic about the Program principally because it’s been straight-forward to administer, requiring only a relationship between Killam and the Department of Mental Health. The Project is still functioning but is now down to about 35 units. There has been a slow decline in the numbers of units involved. As time passed Killam found the level of its financial support deepening. After 4 years of no rental increases and unable to continue to cover the increasing costs of the Project, Killam began to set small annual rental increases of \$20/month/unit. Rather than sacrifice other aspects of its operations to the 250 Homes Project, the Department of Mental Health has had to progressively reduce its commitment.

Securing/Upgrading/Expanding Halifax’s Existing Stock of Affordable Rental Housing:

On this topic, IPOANS continues to discuss approaches to unscrupulous property owners, the inspection and licensing of rooming houses, and the concerns of landlords and tenants (including Halifax post-secondary students) re more appropriate and effective ways to deal with landlord/tenant problems eg. the administration of damage deposits. Jeremy allowed as to how little would be served by adding to the present over-burden of bureaucracy and legislation without first ensuring that the existing measures and authorities are being effectively applied. He also allowed as to the value of rooming houses and the need to bolster and upgrade them.

In sum, Killam Properties continues to apply its energy, experience and imagination to the well being of households in Halifax and across Nova Scotia. It is proud to be both a highly successful private enterprise and one of Halifax’s strongest, affordable housing practitioners. Moreover, through its membership in and leadership of IPOANS, Killam Properties continues to be a respected and outspoken voice in support of the Partnership’s mission to end homelessness and confront housing poverty in Halifax.

Afterthoughts for Consideration and Potential Projects:

IPOANS represents 400 to 450 property owners across NS – the majority of whom are centred in Halifax. All told the members of IPOANS account for +/-38,000 residential units across the Province. For its part, Killam Properties owns and manages 4,911 units in Halifax, 46% of which rent for less than \$850/month.

10 to 15% of Killam's stock in Halifax is rented to post-secondary students. 2 of Killam's buildings are on land leased from Dal, the units of which are rented to Dal students. There may be an opportunity here for the Partnership to convene an encounter between StudentsNS, the City of Halifax, Halifax's university and college presidents, and IPOANS to explore new approaches to the provision of student housing.

Killam Properties was involved from the start in the 250 Homes project. While there's been a slow decline from 45 to 35, due to increasing costs and rents and a frozen DCS per diem of \$535, there's every reason to extend support to this program.

Killam Properties is a major player in the NS and Halifax. It has demonstrated a genuine and creative disposition to the causes of homelessness and housing poverty. The Partnership should make every effort to take advantage of the knowledge, skills and experience vested in IPOANS and its membership in upgrading the knowledge, skills and experience of the non-profit and public housing sectors re efficient, cost-effective and sustainable residential property administration and management.

13. Metro Community Housing Association (MCHA) — 1 December 2014

In Attendance:

Cathy Crouse, MCHA

Grant Wanzel, AHANS/AHWG

Claudia Jahn, AHANS/AHWG

Ms. Crouse reported on each of the MCHA's areas of activity in turn. She then spoke about the MCHA, its relations with similar organizations in Halifax and across the Province and finally about its situation with respect to DCS, Housing Nova Scotia, Halifax, and so on.

Independent Living:

MCHA supports about 80 individuals in their own apartments, supposedly with shelter costs kept within the Department of Community Services' (DCS) disability' rate of \$535/month including utilities. However, it's very difficult to find decent, affordable, centrally located rental housing for below that rate. DCS will consider appeals for top-ups on a case-by-case basis. But top-ups are not automatic and remain in place at the discretion of DCS. Where MCHA is concerned to keep its clients in stable housing, there is always insecurity around top-ups. i.e. \$535 is too low and the efforts to negotiate and retain top-ups are time-consuming to MCHA.

Group Homes:

This program houses roughly the same number (80) of individuals as the Supported Apartment program. As many as 9 persons are housed in a single Group Home. Some of the stock is very old. One building has a heritage designation. These buildings are expensive to maintain and operate. They receive hard wear and are costly to upkeep. For example, the heritage property was recently appraised at \$450,000 while an estimate to repair it came in for a similar amount.

To complicate matters, DCS has adopted new operating regulations (June 2013) under which no group home can provide any more than 4 beds. As a result MCHA recently had to sell a 10 unit building on Gottingen Street and then purchased a 4 bedroom house in Sheffield Park. The net impact of MCHA's sale and purchases is that MCHA will lose 3 bed places and the funding they represent.

Small Options Homes:

MCHA has 6 Small Options Homes, each of which houses 3 persons. To meet DCS's new standard these must be converted to provide 4 bed places/home. This will change their classification under Halifax's Land Use By-Law (LUB) as they are now classed as Homes For Special Care and must be licensed as such. This is not only an additional cost, Halifax's LUB is highly restrictive against Homes For Special Care. MCHA is in negotiations with the City of Halifax to remove discriminatory restrictions from Small Options Homes.

Residential Care Facility:

In 2005 the Province bought Twin Cities Villa - a residential care facility - and asked MCHA to take it on. The property consisted of 3 buildings: an old structure, a middle structure, and an added apartment. The Villa had been licensed for 37 persons, some of whom were living 4 to a room. MCHA has redistributed and down-sized the resident population to the point that no room houses more than 2 persons. The building is old and had required major upgrading, but is now fully licensed and up to standard for all its inspections. Due to the aging of the client population, it is now to all intents, a small nursing home.

Community Transition House:

This facility provides for people transitioning from the East Coast Forensic Hospital and is housed in the apartment that was added to the earlier parts of the Twin Cities Villa complex. It accommodates 5 persons and has the highest classification level. It serves people selected through a joint referral procedure and has been quite successful in transitioning people. It looks and feels like a community home.

MCHA's Clients:

Of 160 persons housed, Ms. Crouse estimated that half are over the age of 50 years. In effect, half of those housed are aging-in-place, with all that brings in terms of the need for added professional, technical and service support and building upgrades.

The most recent version of supported apartments is called Independent Living Supports (ILS) and is "individualized", serving individual persons one at a time. More \$ and time is now available per individual served but as clients move on or pass away, gaps open up and agency revenue fluctuates. This is difficult to manage.

In 2011, the agencies in the Central Region submitted a strong paper to DCS re: its business practices for ILS. It wasn't acknowledged and appears to have had little or no effect. In the hopes that the Partnership might advance their cause, Ms. Crouse has forwarded a copy of this paper, as well as one sent to Halifax re: its Homes For Special Care by-laws, to the AHWG.

DCS Referral Process:

DCS Central Region has 100s on its waiting list. High priority is given to people at the top of the list who may require emergency placement. DCS retains control of the process whereby it distributes clients to their placements. This is a matter of significant concern to the MCHA which has virtually no say in who is referred to it. The intake and screening process can be time-consuming and if and when a vacant place isn't filled, it costs MCHA the loss of its per diem. The real issue here is that MCHA has only so much capacity to support people with difficult disabilities. As that capacity is already badly over-extended, MCHA's lack of control over who is placed in its facilities is yet another source of growing pressure on the organization.

About half a dozen organizations provide residential care for people afflicted with conditions which compromise their mental-health and well-being. All but MCHA are in the private sector.

MCHA Finances:

- DCS pays for taxes, mortgages, operating costs, but has never provided enough for MCHA to establish an adequate Replacement Reserve. As a result, MCHA has a major deferred maintenance burden.
- MCHA and most of the other members of the NS Residential Agencies Association and the Continuing Care Association of NS are running deficits.
- Unions that represent workers in the sector are strong and been successful in obtaining their wage demands. Unfortunately, government has failed repeatedly to raise the \$535/month bar and has never provided enough to cover deferred maintenance costs. Of course, with each deferral, the consequences deepen, quality is compromised and the eventual cost increases.
- The differences between the levels of funding to more or less equivalent agencies depends primarily on the level of support required by the people who are served. For example, MCHA serves roughly 160 persons, has a staff of 130, and an annual budget of \$6 million. Whereas, the Regional Residential Services Society serves 180 persons, has a staff of 400 and a budget of \$20 million per year.

- MCHA's finances are so badly stretched that they frequently have difficulty meeting payroll due to the absence of rate review for 6 years and structural cash flow issues. Ms. Crouse explained that MCHA is reimbursed by DCS at the end-of-the-month for a significant portion of accrued expenses. Emergencies arise frequently and all too easily compromise MCHA's budgeting. DCS will provide MCHA with bridging financing when the \$300,000 credit line limit is exceeded. However, the process is demoralizing, difficult, cumbersome and time-consuming.

Recommendations to The Partnership:

1. Encourage DCS to modernize/accelerate its approach to their accounts payable processing which is very administratively burdensome for both agency and departmental staff.
2. Encourage DCS to provide the resources for contracted service providers to do their jobs properly. Financial stability and predictability would help substantially.
3. Encourage DCS to update its social assistance rates, in particular the \$535/month disability rate for housing.
4. Encourage DCS to acknowledge and deal with MCHA's and other agencies' deferred maintenance burdens by establishing a funding framework for replacement reserves.
5. Finally, Ms. Crouse acknowledged that she and her peers, along with management and administration positions across the sector, are badly under-resourced for the positions of responsibility they occupy. Even under the most auspicious circumstances such positions would be very highly demanding. One can't help but feel, by contrast, that Ms. Crouse and her colleagues are under extreme and unrelenting pressure, just a nudge or two perhaps from breaking.

Overview of Findings

Findings	Public Housing	Co-op Housing	Non-Profit Housing	Non-Profit Housing	Supported Private Sector Rental Housing	Post Secondary University/College Bed/Places
Total Unit Numbers Owned/ Managed by Respondents	5,000 (3,000 Seniors) (2,000 Family)	1,711	416 (221 HCH) (75 MNPHA) (120 DNPHA)	486+	59,081 (43985 Convention) (15096 Secondary)	6,400 Residence 32,000 Students Serious competition for affordable rents
Total Residents	7000					
Issues/Concerns						
Management Capacity	Yes	Yes	Yes	Yes		
Age/Condition of Stock	Yes	Yes	Yes	Yes		
Deferred Maintenance	Yes	Yes	Yes	Yes		
Rent Arrears	Yes	Yes	Yes			
High Vacancy Numbers	Yes					
Over-Housing	Yes					
Crisis Managing	Yes			Yes		
Organizational Isolation	Yes	Yes	Yes	Yes		
Operating Agreements Ending	Yes	Yes	Yes	Yes		
Lack of Reserves		Yes	Yes	Yes		
Move to Mgmt Model			Yes			
Move to Equity Model		Yes				
Move to Higher Rents			Yes			
Loss of Affordability		Yes	Yes			
Selling Units			Yes	Yes		
High Energy Costs/Need Help	Yes	Yes	Yes			
Losing Units		Yes	Yes			
– Rooming Houses					Yes (e.g.: Gottingen St)	
– Conversion					Yes (e.g.: Ctr Hfx)	
– Upgrading					Yes (West End)	
– Repurposing					Yes (West End)	
Poor Stock with High Vacancies					Yes (North Dartmouth)	
Good Stock with High Demand					Yes (e.g.: Ctr Hfx; Students)	Yes
Slow New Construction Rate					Yes	
Support for Rent Supplements					Yes (e.g.: IPOANS/Killam)	

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