



ONTARIO NON-PROFIT  
HOUSING ASSOCIATION

The Honourable Peter Bethlenfalvy  
Minister of Finance c/o Budget Secretariat  
[submissions@ontario.ca](mailto:submissions@ontario.ca)

February 12, 2021

## **Subject: ONPHA's Submission to Ontario's 2021 Budget Consultations**

Dear Minister Bethlenfalvy,

Thank you for the opportunity to provide input toward Ontario's 2021 Budget. The Ontario Non-Profit Housing Association (ONPHA) represents over 730 non-profit landlords and local housing corporations providing affordable housing for half a million Ontarians.

With COVID-19 vaccinations underway, **the connection between housing, health, and the economy remains paramount.** Investment in social infrastructure, like housing and direct community supports, will ensure short, mid, and long-term socioeconomic recovery. It will release the immediate economic pressure valve, create jobs and construction projects to kick-start economic growth, and protect public investment in healthcare, justice, and social systems.

**Our primary recommendation is to stabilize landlords and directly address their revenue shortfall (such as rental arrears) and close the gap on increased operational costs (such as utility costs). Use housing related tax revenue (such as Land Transfer Tax and Non-Resident Speculation Tax) to further investment into community housing so that, in partnership, we may repair aging stock and build new community housing assets.**

More, specifically, following ONPHA's [submission](#) to the Fall 2020 Budget consultations, we call on your government to prioritize investments and policies that ensure the long-term health, strength, and sustainability of Ontario communities:

### **1. Stabilize housing providers and tenants**

Extraordinary costs related to COVID-19, including revenue loss from rental arrears, unintended impacts from the rent increase freeze, increased costs from unit vacancies, personal protective equipment, higher utility use, increased staffing, cleaning and security, backlogs of maintenance and repair work, increased insurance premiums, and office retrofits are leading housing providers to redirect capital reserve funds to support operations<sup>i</sup>.

Low-income and other marginalized households already facing affordability challenges have been disproportionately impacted by pandemic-related job and income loss<sup>ii</sup>, leading to unprecedented and unmanageable levels of rental arrears<sup>iii</sup>.

Immediate investment is required for provider stabilization and targeted rental relief and arrears assistance to preserve tenancies, prevent increased homelessness, and ensure



sector resilience. This could include expansion of the Social Services Relief Fund, Ontario Small Business Support Grant, Canada-Ontario Housing Benefit, and/or implementation of new initiatives, like tested [rent relief](#) and [arrear management](#) models, and preferential utility rates for community housing.

## 2. Renew and grow community housing

Existing community housing must be maintained in a state of good repair and remain affordable for future generations. Investing in renewal of the required 260,000 units<sup>iv</sup> would also provide opportunities for accessibility and energy efficiency retrofits, while creating jobs and lowering future operating costs. As mortgages and operating agreements expire, regulation development must safeguard public investment by protecting the system's existing units and facilitating providers' ability to leverage their assets for further growth.

To build the needed 99,000 new affordable and supportive units<sup>v</sup>, the community housing sector requires an expanded toolkit of programs and policies that increase funding and access to capital and surplus land, explored in ONPHA and the Cooperative Housing Federation of Canada's [Affordable Housing Plan for Ontario](#). This should include ensuring housing-related tax revenues are reinvested into affordable housing initiatives to support renewal and growth<sup>vi</sup>.

## 3. Support urban and rural Indigenous housing

To meet the growing, diverse housing needs of urban and rural Indigenous communities (exacerbated by COVID-19), Ontario must work in true partnership with Indigenous partners based on principles of self-determination and reconciliation to build 22,000 subsidized Indigenous-owned and operated units, support culturally-relevant programming, and increase Indigenous control in the sector<sup>vii</sup>.

Work is underway to develop a community-led implementation strategy for ONPHA's [Urban and Rural Indigenous Housing Plan for Ontario](#), which requires sustainable resourcing from partners at all levels.

Thank you for taking the time to review our submission. ONPHA looks forward to ongoing engagement to develop sustainable, equitable community solutions to support Ontario's socioeconomic recovery by opening more doors through housing.

Sincerely,

Marlene Coffey, MA, MAES, MCIP, RPP  
Chief Executive Officer



Cc:

Hon. Doug Ford, Premier

Hon. Steve Clark, Minister of Municipal Affairs and Housing

Hon. Christine Elliott, Minister of Health

Hon. Vic Fedeli, Minister of Economic Development, Job Creation and Trade

Hon. Todd Smith, Minister of Children, Community and Social Services

Hon. Greg Rickford, Minister of Indigenous Affairs

Hon. Sylvia Jones, Solicitor General

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<sup>i</sup> ONPHA members have continued to share this feedback over the course of the pandemic through support requests, surveys, and virtual engagement activities.

<sup>ii</sup> Statistics Canada. (2020). COVID-19 in Canada: A six-month update on social and economic impacts. Available at: <https://www150.statcan.gc.ca/n1/pub/11-631-x/11-631-x2020003-eng.htm>

<sup>iii</sup> Canada Mortgage and Housing Corporation. (2021). 2020 rental market report. Available at: <https://www.cmhc-schl.gc.ca/en/housing-observer-online/2021/2020-rental-market-report>

<sup>iv</sup> To bring Ontario's 260,000 community housing units to a state of good repair will require an average of \$10,000 per unit. This cost is significantly lower than estimated replacement costs of \$65 billion. See: Re/Fact Consulting (2012). Social housing end dates in Ontario: Assessing impacts and promoting good practices. Available at: <https://www.hscorp.ca/wp-content/uploads/2013/03/Social-Housing-End-Dates-in-Ontario-HSC.pdf>; Ontario Non-Profit Housing Association, Co-operative Housing Federation of Canada (Ontario Region). (2018). An affordable housing plan for Ontario. Available at:

[https://onpha.on.ca/Content/Advocacy\\_and\\_research/Advocacy/Affordable\\_Housing\\_Plan\\_for\\_Ontario.aspx](https://onpha.on.ca/Content/Advocacy_and_research/Advocacy/Affordable_Housing_Plan_for_Ontario.aspx)

<sup>v</sup> Ontario Non-Profit Housing Association, Co-operative Housing Federation of Canada (Ontario Region). (2018). An affordable housing plan for Ontario. Available at:

[https://onpha.on.ca/Content/Advocacy\\_and\\_research/Advocacy/Affordable\\_housing\\_plan/An\\_Affordable\\_Housing\\_Plan\\_for\\_Ontario.aspx](https://onpha.on.ca/Content/Advocacy_and_research/Advocacy/Affordable_housing_plan/An_Affordable_Housing_Plan_for_Ontario.aspx)

<sup>vi</sup> For example, the 2020 Ontario Budget projected an increase in \$420 million through the Land Transfer Tax due to stronger housing resales, for a total of nearly \$3.4 billion revenue in 2020-2021.

<sup>vii</sup> Ontario Non-Profit Housing Association. (2020). Urban and rural Indigenous housing plan for Ontario. Available at:

[https://onpha.on.ca/Content/Advocacy\\_and\\_research/Advocacy/Indigenous\\_Housing\\_Plan/Indigenous\\_Housing\\_Plan.aspx](https://onpha.on.ca/Content/Advocacy_and_research/Advocacy/Indigenous_Housing_Plan/Indigenous_Housing_Plan.aspx)