

THE COUNTY OF WELLINGTON

2024/2025

**Preliminary
Budget Impacts
Housing Service Division**

County of Wellington
Social Services Department

SEPTEMBER 2023

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Introduction

The County of Wellington is designated by the Province of Ontario as the Consolidated Municipal Service Manager (Service System Manager) of social services for the Wellington service delivery area which includes the County of Wellington and the City of Guelph. Service System Managers across Ontario oversee the planning, management, and delivery of social services in a way that is integrated, people-focused and outcome-driven for residents.

Under the Housing Services Act, 2011, the County is responsible for the delivery and administration of provincially mandated rent supplement and government-funded affordable housing programmes as well as initiatives to prevent and address homelessness. This work is carried out by the Housing Services division of the Social Services department.

The Housing Services division is required to develop local 10-Year Housing and Homelessness Plans as well as 5-Year updates. These plans must be developed collaboratively with the public, and a variety of local stakeholders including municipal partners; Indigenous health organizations; health and human service organizations, shelter operators, and housing providers in the housing services system. The plans must include measurable strategic objectives and action plans that align with provincial policy, legislation and matters of provincial interest. The division is also required to report annually on progress made to the province and the public.

The 10-year Housing and Homelessness Plan for 2015 to 2024, the Five Year Update (2020), and Annual Reports up to 2022 can be found on the County of Wellington's website: [Policies and Planning - Housing - Wellington County](#).

The division works to ensure that services funded by taxpayers are provided in a transparent manner that focuses on quality assurance and local priorities. By understanding the sociodemographic factors and the complex housing needs of the local area, leveraging support from all levels of government, and strengthening community partnerships, it develops and maintains a range of housing options and diverse housing stability supports which is a cornerstone in improving community well-being.

Current work of the Housing Services division is guided by the strategic objectives of the 5 Year Update (2020-2024) that were developed in consultation with the community and service partners.



The updated strategic objectives for 2020-2024 are as follows:

1	To help low-income households close the gap between their incomes and housing expenses.
2	To provide a range of housing stability supports to assist with housing retention and homelessness prevention.
3	To offer a comprehensive range of supportive housing options for residents with complex needs due to aging, disabilities, mental health issues and addictions.
4	To increase the supply and mix of affordable housing options for low- to moderate-income households.
5	To end chronic homelessness.
6	To promote client-centred, coordinated access to the housing and homelessness system
7	To support the sustainability of the existing social and affordable housing stock.
8	To foster access to culturally appropriate housing and homelessness services for Indigenous peoples.

This 2024/25 Preliminary Budget Impacts document has been developed to provide County of Wellington County Council and Guelph City Council projected increases in municipal contributions to address unprecedented increased demands of housing services in the areas of administration, homelessness prevention, emergency shelters, transitional housing, rent supplements, supportive housing and maintenance the social and affordable housing stock.

This preliminary plan is being shared for information purposes in advance of being fully developed and formally presented in the County’s 2024 Budget and 10-Year Plan process.

All budgetary increases in this document address the County’s mandate as the Service System Manager for Housing Services and are meant to provide an order of magnitude. This plan does not consider all areas of the budget and County staff have yet to complete a line-by-line review of the budget for 2024 which will consider trends experienced over the remainder of 2023, inflation factors, and any updated information available provincially as well as locally.

Roles and Responsibilities Across All Levels of Government

Federal Government

The federal government has a crown agency in charge of the national approach to housing called the Canadian Mortgage and Housing Corporation (CMHC). This corporation's mandate is to "promote housing affordability and choice, facilitate access to, and competition and efficiency in the provision of, housing finance, protect the availability of adequate funding for housing at low cost, and generally contribute to the well-being of the housing sector in the national economy." (Canadian Mortgage and Housing Corporation, 2023). In 2017, CMHC released the National Housing Strategy which provides policies and programmes to help ensure that Canadians have access to affordable housing that meets their needs.

Through the National Housing Strategy, the Government of Canada provides funding that supports local projects offering low-cost loans and grants to increase the development of affordable rental housing buildings. The federal government also provides funding for portable housing benefits such as the Canada Ontario Housing Benefit and rent supplements that support housing stability for low-income rental households. Additionally, the federal government provides Reaching Home funding to provide dedicated funding to support homelessness initiatives.

Provincial Government

The Ministry of Municipal Affairs and Housing oversees the funding and delivery of Housing Services delivered by local Service System Managers. This Ministry "works with local governments and partners across Ontario to build safe and strong urban and rural communities with dynamic local economies, a high quality of life and affordable and suitable homes for everyone." (Province of Ontario, 2023). The Ministry also provides funding to support government-funded affordable housing initiatives, rent supplements, and portable housing benefits as well as dedicated funds that support local initiatives to prevent and respond to homelessness.

Municipal Government

In Ontario, municipal governments have responsibilities related to housing such as funding social housing and housing stability programmes through the local area Service System Manager. Municipalities are also responsible for land use planning policy, zoning, and development approvals that must align with provincial legislation and policy directives. Through this planning system, municipalities are to provide for an appropriate range and mix of housing options and densities required to meet the social, health and economic well-being of the current and future residents of their community.



Wellington-Guelph State of Housing and Homelessness

Vision for Wellington-Guelph from the current 10 Year Plan:

Everyone in Guelph-Wellington can find and maintain an appropriate, safe, and affordable place to call home.

Having a place to call home is a necessity for everyone in our community, and the quality of that housing directly influences the health and well-being of its residents. When an individual or a household does not have stable housing, they cannot fully participate in our communities. There are 1.4 million households in Canada that do not have access to quality housing, which forces households to live in unsuitable, inadequate, and unaffordable homes (CMHC, 2022).

A recent Ontario Chamber of Commerce paper highlighted that the housing affordability crisis is significantly impacting the ability of businesses to attract and retain talent. Their recent Business Confidence Survey showed that 68% of organizations in Ontario continue to report labour shortages (Ontario Chamber of Commerce, 2023). The ability to find a maintain an appropriate, safe, and affordable place to call home impacts the personal and economic well-being of our communities.

Local Housing Context

Population Growth in the Wellington-Guelph service area

According to the 2021 Census, the Wellington-Guelph service area has a total population of 241,026. The Wellington-Guelph population has increased by 8.2% since the 2016 Census which is well above the provincial population increase of 5.8% for Ontario.

Limited Housing Options and Affordability in Wellington-Guelph

There is a history of low vacancy rates in Wellington-Guelph which puts pressure on the need for affordable housing in our area. Results from the CMHC Rental Market Survey show that apartment vacancy rates in the Wellington-Guelph service area were below 2% from 2011 until 2018.

From 2019 onward, Guelph Census Metropolitan Area (Guelph CMA) vacancy rates have been used as a proxy for the Wellington-Guelph service area. Guelph CMA is made up of the City of Guelph, Puslinch, and Guelph/Eramosa. Historically Guelph CMA vacancy rates have been very similar to Wellington-Guelph area vacancy rates, and as such are an appropriate proxy to use when the Wellington-Guelph service area data is not available. Guelph CMA vacancy rates have remained at or below 2% since 2018, with the 2022 apartment vacancy rate sitting at 1.5% indicating “tight” rental market conditions that is well below the 3% vacancy rate which is considered a “healthy” threshold.

Low vacancy rates like this make it challenging for prospective tenants to secure any type of rental housing and create a local situation where there is little turnover of units priced at the lower end of the

market. Further, low vacancy rates provide greater pricing power for units that are vacated, as evidenced by high monthly rent charges.

Housing Services conducts environmental scans of asking rents in our service area on an annual basis. In 2019 the average asking rent for a 1-bedroom apartment was \$1,358.00 and in 2022 it was \$1,971.00 demonstrating a 45% increase (\$613.00).

Primary Rental Market Units in Wellington-Guelph

The CMHC Rental Market Survey also provides information about the number of primary rental apartment units in Guelph CMA. As the table below demonstrates, the number of units has increased minimally with only 321 more units in 2022 compared to 2019 (an increase of 4.3%).

Table 1: Primary Rental Market Units in Guelph CMA

	Oct 2019	Oct 2020	Oct 2021	Oct 2022
Bachelor	200	203	205	206
1 Bedroom	2,471	2,609	2,642	2,662
2 Bedroom	4,476	4,512	4,635	4,599
3 Bedroom +	287	286	290	288
Total	7,434	7,610	7,772	7,755

Wellington-Guelph Households in Core Housing Need

Core housing need is a vital indicator of community well-being that considers three factors: Adequacy - if the dwelling in need of major repair; Suitability - if there are enough bedrooms for the size and make-up of the household; Affordability - if the households spend 30% or more of their before-tax income on accommodation. Households are in core housing need when they live in inadequate, unsuitable, or unaffordable dwellings, and are not able to afford alternative housing in the community.

According to the 2021 Census, there are a total of 7,690 households in Wellington-Guelph, including both owner households and tenant households. Overall, nearly 10% of all households in Wellington-Guelph were living in core housing need. For renter households the rate is much higher with 20.6% in core housing need. The main reason for households being in core housing need is due to affordability.

State of Housing and Homelessness Summary

The pressures in the market-based system resulting from low vacancy rates, limited housing options, lack of affordable rent charges, many households in core housing needs result in more individuals and families struggling with housing instability. All these factors result in greater pressures on the local the housing system and services delivered by social services.

Steps need to be taken to ensure that the housing and homelessness system in Wellington-Guelph can continue to meet the needs of individuals experiencing homelessness and prevent experiences of homelessness by supporting households through moments of housing instability.

The Wellington-Guelph community has drawn on the work of Stephen Gaetz and Erin Dej, *A New Direction: A Framework for Homelessness Prevention* (2017), to structure the work of the local housing services system into three main focuses:

- Preventing Experiences of Homelessness
- Emergency Responses to Experiences of Homelessness
- Transitions to and Retention of a Permanent Housing Solution



First, **you can prevent it** – that is, put in place mechanisms to stop or greatly reduce the risk that people will become homeless in the first place.

Second, **you can provide emergency services** (e.g., shelters, soup kitchens, day programs) because no matter how good your prevention strategies are, some people will experience difficulties that result in the loss of their housing and home.

Finally, **you can move people into housing with necessary supports** to reduce the risk of recurrence, ideally as rapidly as possible, so that the period one experiences homelessness is as short as possible.

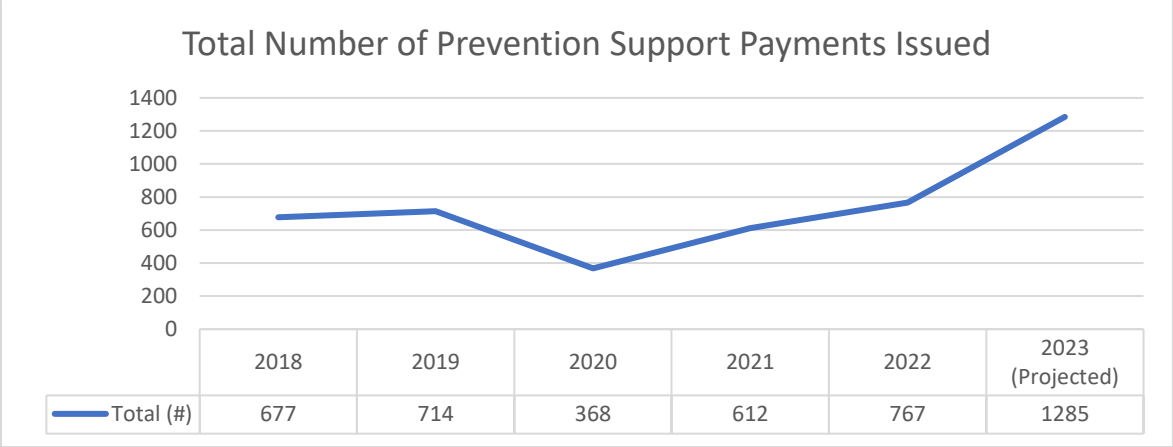
(Dej, 2017)

Preventing Experiences of Homelessness

The Housing Services division delivers a Housing Stability Programme that helps address financial issues that can destabilize households. Based on eligibility criteria, households can receive one-time financial assistance to address their rental and/or utility arrears to prevent them from losing their housing. At times, a portion of the Rent Supplement Programme funding (see page 17) can be provided to eligible households to pay for first and last month's rent and other moving costs associated with securing a new permanent housing solution.

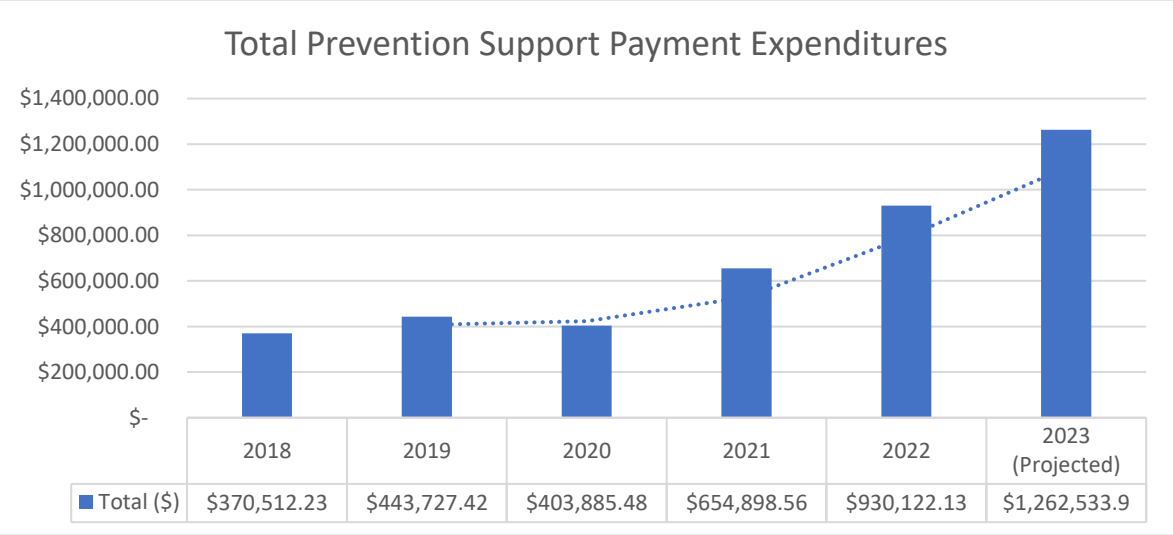
Over the past number of years, there has been significant increases in both the need for and the costs to prevent experiences of homelessness. Figures 1 and 2 show the significant increases in pressures for homelessness prevention supports. Figure 1 shows the number of supports issued annually since 2018 and a projected number for 2023 (based on support trends in the first half of 2023). Figure 2 shows the financial impact of higher costs associated with the increase in homelessness prevention supports.

Figure 1: Housing Stability Programme payments from 2018 to 2023.



The decline in payments and expenditures in 2020 could be attributed to Landlord and Tenant Board suspending the process of issuing new eviction orders and the province issuing a moratorium on utility disconnections. The increase in expenditures in 2021 could be attributed to Landlord Tenant Board expediting hearings for evictions and the moratorium on utility disconnections being lifted.

Figure 2: Below shows the annual expenses of the Housing Stability Programme from 2018 to 2023.



The average Housing Stability Programme payment in 2018 was approximately \$548.00 while in 2023 the average payment is projected to be approximately \$983.00. There is a strong need for rental arrears and first and last month’s rent support as they remain two of the most used categories of the housing stability programme.

Additional funding for the Housing Stability Programme will be used to address the increased demand for assisting eligible households with utility and rent arrears and one-time rental fees/moving costs for them to maintain their current housing or attain new housing.

Preliminary Additional Investments to Prevent/Reduce Experiences of Homelessness

A budget increase of \$500,000 is planned for 2024. This will be an ongoing cost throughout the 10-year plan.

Key Performance Indicators

- Increase in number of households experiencing housing stability.
- Increase in number of individuals and families diverted from emergency shelter.

Emergency Responses to Experiences of Homelessness

The Housing Services division administers multiple ‘housing focused’ strategies to support individuals who are experiencing homelessness. Delivered through community partners, these supports include emergency shelter system as well as positions to support individuals who experiencing homelessness throughout the community. Outreach Workers connect with and support those experiencing unsheltered homelessness. Diversion/Rapid Rehousing Workers support individuals to quickly find alternate housing solutions to avoid a long duration of homelessness.

Emergency Shelter System



The Housing Services division routinely collects data and monitors the By-Name List which tracks individuals experiencing chronic homelessness. In addition, the division collects and monitors live data related to all emergency shelter services.

The average number of unique individuals accessing emergency shelters has risen from 52 in 2018, to 79 in 2022. Data collected from January-June 2023 shows that there has been a substantial increase, with an average of 105 individuals accessing emergency shelters on a nightly basis. Preliminary data for August 2023 shows a continuing increase. The data also shows that the duration for which individuals are accessing emergency shelters has also increased since 2018.

Figure 3: Average Number of Unique Individuals Accessing Emergency Shelters per Night Over Time (2018 to 2023)

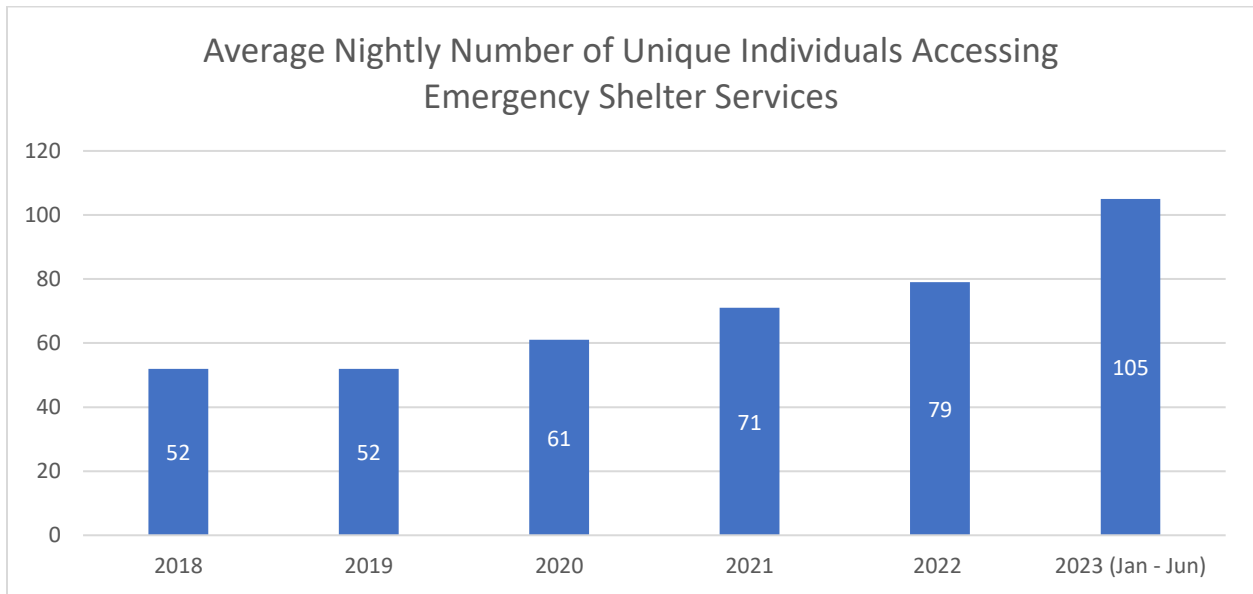
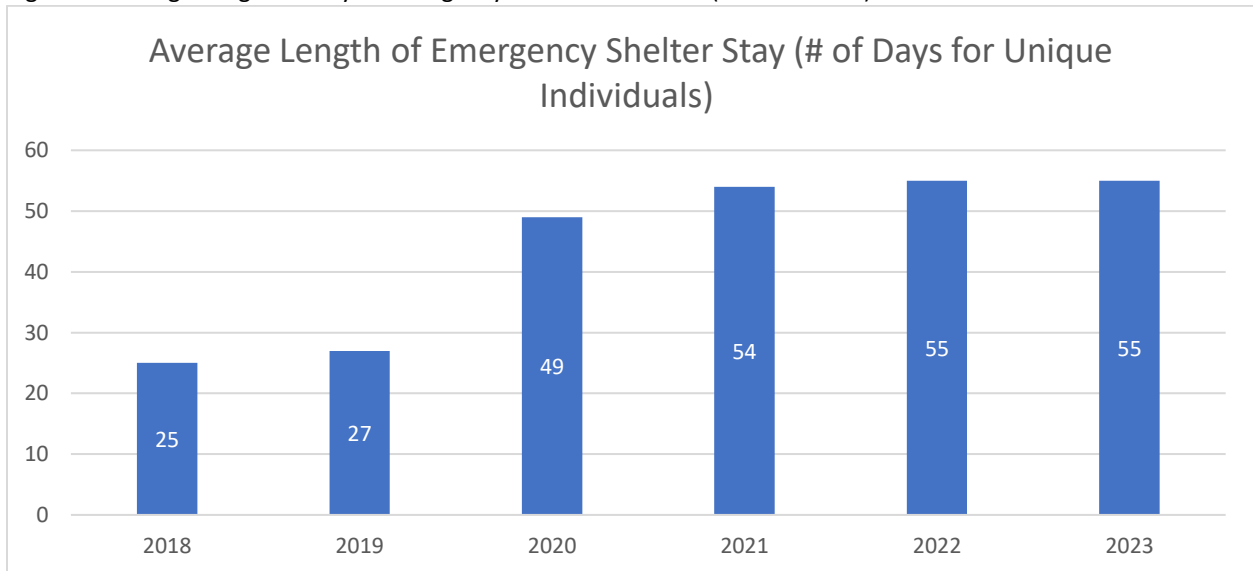


Figure 4: Average Length of Stay in Emergency Shelter Over Time (2018 To 2023)



NB: 2023 utilizes a backward rolling year for Q2 dating July 1, 2022 to June 30, 2023.

There is also a rise in the number of families experiencing homelessness in the past year. There was an average of 4 individuals in a family situation in July 2022, and in 2023, there is an average of 20 individuals in a family situation. Families are also needing emergency shelter services for longer periods of time due to the scarcity of available rental units. The decrease of available spaces in motels and higher motel rates has impacted the ability of the Housing Services division to accommodate families experiencing homelessness.

The existing emergency shelter system as of July 2023 (not including Women in Crisis) provides a total of 41 beds for adults and youth in addition to 43 units with multiple occupancy. These services are offered by Stepping Stone who operate two locations for adults and families, and Wyndham House who operate one location for youth. The Housing Services division regularly uses motels for any overflow.

Sustaining and expanding the current emergency shelter system is a high priority for the Housing Services division in 2023/24.

In 2023, emergency shelter expansion plans include:

- Shelter for Families at 1 Waterloo (16 beds) commencing October 1
- Substance-free Adult Shelter for males at Hwy 6 (22 beds) commencing October 1
- Maintaining use of 540 Silvercreek Pkwy (43 units)

For 2024, Housing Services will continue using 540 Silvercreek Pkwy on a temporary basis to accommodate overflow. The division is also in the preliminary stages of plans to add 27 more emergency shelter beds at 23 Gordon in Guelph.

Plans in 2024 also include efforts to stabilize and support the emergency shelter workforce which will include new training requirements to implement updated Emergency Shelter Standards developed by the Housing Services division in 2023.

Enhanced funding for the emergency shelter services will support retention of current shelter staff and the operation of 65 new emergency shelter beds. It will also support maintaining 540 Silvercreek Pkwy, N., on a temporary basis as an overflow site.

Preliminary Additional Investments to Sustain and Increase Emergency Shelter Capacity

A budget increase of \$2,1 million is planned for 2024. The annualized cost will be \$2.3 million beginning in 2025.

Key Performance Indicators

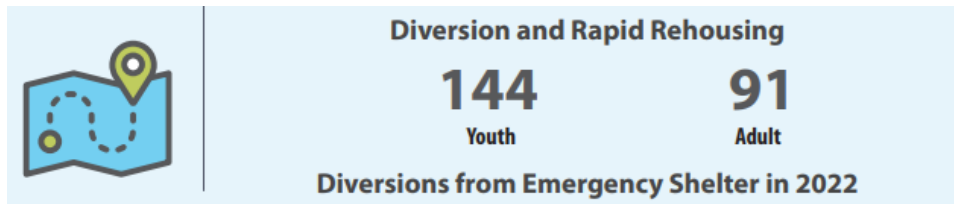
- Increased number of individuals and families accessing the emergency shelter system.
- Decrease in the number of individuals living in unsheltered homeless conditions.
- Decrease in motel/hotel expenditures.

Outreach Workers and Diversion/Rapid Rehousing Workers

Housing Services currently provides funding to a community agency for 2 FTE Outreach Workers that offer support to unsheltered individuals across the service delivery area. In 2022, the Outreach Workers supported 145 unique individuals in our community.

Additionally, Housing Services provides funding to community agencies for 3 FTE Diversion/Rapid Rehousing Workers who help individuals to quickly find and secure appropriate housing solutions. In 2022, Diversion and Rapid Rehousing Workers supported 144 youth and 91 adults, diverting these individuals away from the youth and adult emergency shelters respectively.

Figure 5: Diversion and Rapid Rehousing data for 2022



The 2023 emergency shelter data and the By-Name List data demonstrate the need for increased support to respond to individuals who are experiencing homelessness and assist them to achieve a new housing solution as quickly as possible.

Additional funding will be used increase the number of Outreach Workers and Diversion/Rapid Rehousing Workers in Wellington County and in Guelph, including an Indigenous Outreach Worker.

Preliminary Additional Investments for Emergency Responses to Experiences of Homelessness

A budget increase of \$180,000 is planned for 2024 with an annualized cost of \$300,000 beginning in 2025.

Key Performance Indicators

- Decrease in the number of unique individuals using the emergency shelter system nightly.
- Decrease in the average length of stay in the emergency shelter system.

Transitions to and Retention of Housing Placements

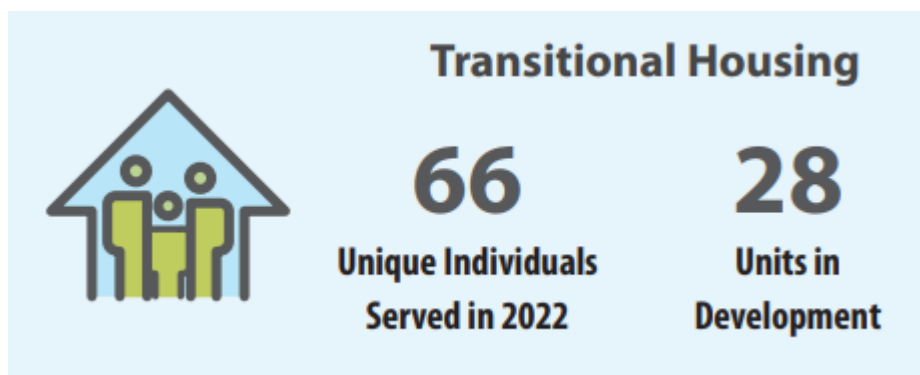
Transitions to and Retention of Housing Placements looks at finding permanent housing solutions for those who are experiencing homelessness or chronic homelessness. Depending on the needs of the individual or household, this can include solutions in market-based rental, social, affordable, transitional, or supportive housing. Each approach encompasses a broad range of services, resources and supports with the goal of obtaining permanent housing.



Transitional Housing



Transitional Housing provides individuals with temporary safe and stable housing as an intermediate step between emergency shelters and permanent housing. Transitional housing is an important part of the Housing Continuum as it alleviates pressures in the emergency shelter system, helps prevent individuals from returning to homelessness, and supports their wellbeing as they work towards a suitable permanent housing solution.



(Figure 6: Above shows the Transitional Housing data in 2022 from the 2022 Wellington-Guelph Housing and Homelessness Plan Annual Report: A Place to Call Home.)

Transitional housing programmes have existed in our community for several years and have traditionally been intended to meet the needs of youth experiencing homelessness, or pregnant and parenting women and their children. These programmes have had tremendous success in helping individuals and families attain and maintain a permanent housing solution.

Staff at transitional housing programmes build relationships with the individual, address and support their immediate needs while working alongside individuals to create a longer-term housing plan. Permanent housing plans may include prioritization for supportive housing placement or access to another affordable permanent housing solution.

The lack of transitional housing for adults is a significant gap in our community's housing system.

In July 2024, the County will be opening 28 transitional housing units at 65 Delhi St. which will help to fill the gap in the system. Housing Services is also in the preliminary stages of creating 15 additional transitional housing units in Guelph to open in November 2024.

Additional funding will be used to support the operation of 43 new transitional housing units.

Preliminary Additional Investments for Transitional Housing Investments

A budget increase of \$ 314,000 is planned for 2024 with an annualized cost of \$982,000 beginning in 2025.

Key Performance Indicators

- Increase in the number of housing placements from chronic homelessness
- Increase retention of obtained housing

Permanent Supportive Housing



Supportive housing is a key element in enabling people with complex needs to find stable housing, lead fulfilling lives, and live as independently as possible in their community. Providing people with appropriate housing and supports promotes housing stability and their wellbeing.

For several years, the Housing Services division has worked with our local health partners to deliver a supportive housing programme that is scattered across many sites in the service delivery area. This programme currently supports 45 units across our service area with a priority of supporting those that are at-risk of or experiencing homelessness.

More recently, large investments have been made from all levels of government to increase the permanent supportive housing infrastructure. While these developments will have a substantial impact on our community's By-Name List, more supportive housing options are needed across our service delivery area to support our most vulnerable residents. The current priority is to support the operational funding of the new developments created at Grace Gardens (32 units for adults), Bellevue (16 units for youth) and Shelldale (32 units for adults).

Operating funds provided by Housing Services will support Housing Stability Workers (not health-related positions or services), at 3 of the 4 locations. A funding application for the full operational costs of the Shelldale site in addition to paramedical services for all listed sites is being submitted to the Ministry of Health through the local Ontario Health Team.

Additional funding will be used for community-based Housing Stability positions to support the operation of 48 units serving adults and youth.

Preliminary Additional Investments for Supportive Housing

A budget increase of \$776,000 is planned for 2024. This will be an ongoing cost throughout the 10-year plan.

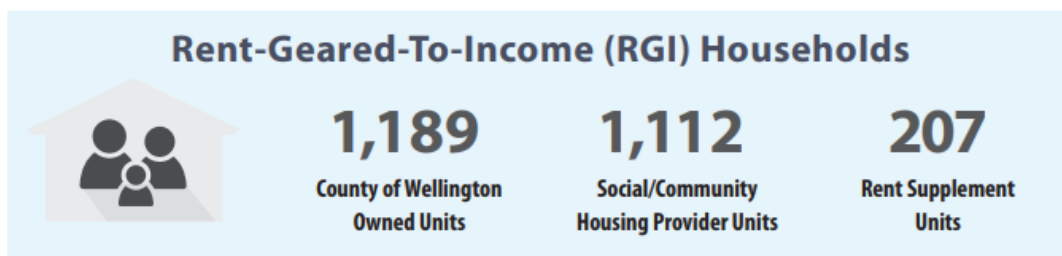
Key Performance Indicators

- Increase in the number of households experiencing housing stability
- Decrease in the number of tenant households at-risk of homelessness
- Decrease in the number of evictions

Rent Geared to Income (Social) Housing



Housing Services by the Numbers - 2022 Snapshot



(Figure 7: Above shows the Rent-Geared-To-Income (RGI) data in 2022 from the 2022 Wellington-Guelph Housing and Homelessness Plan Annual Report: A Place to Call Home.)

The County owns and manages a large portfolio of social housing properties throughout our service area and is responsible for the oversight of dozens of local social and affordable housing providers. As of December 31, 2022, the division supported a portfolio of 2,508 units of Rent Geared to Income housing options.

The division supports another 489 households with funding to live more affordably, with many of these units also including a dedicated support structure to help make sure that they remain stably housed.

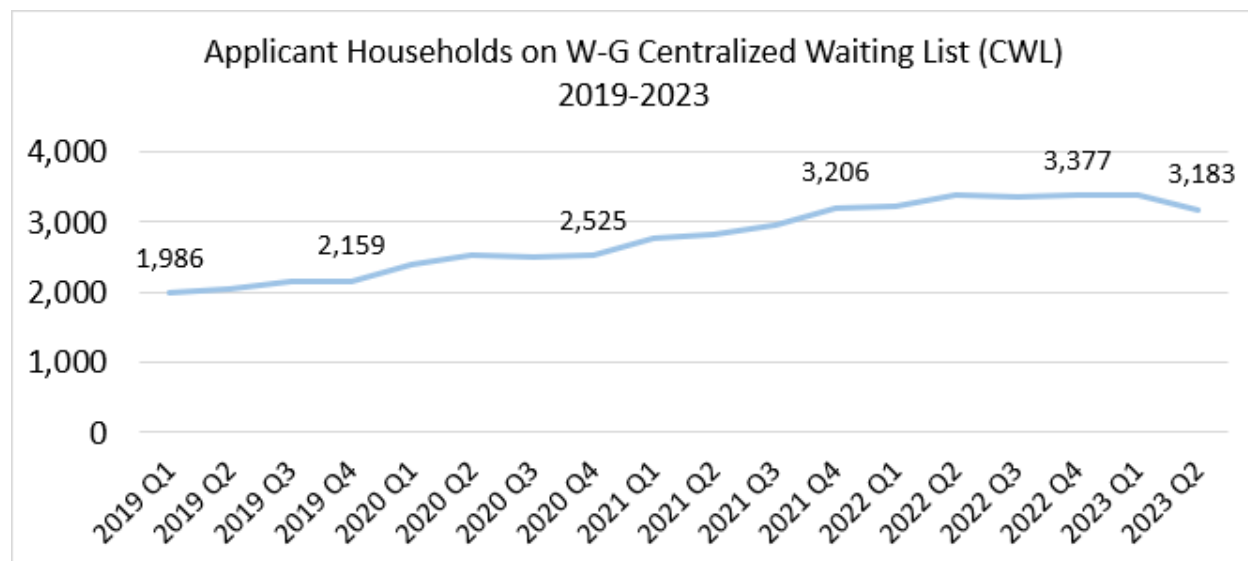


(Figure 8: Above shows the Rent Support Households data in 2022 from the 2022 Wellington-Guelph Housing and Homelessness Plan Annual Report: A Place to Call Home.)

Pressures on Existing Social Housing System

The need for social housing stock is growing as affordable private market rental options are extremely difficult to find. The number of households waiting for social housing in Wellington-Guelph has risen from 1,986 households at the start of 2019, to 3,183 households at the end July 2023. While there has been a slight decrease as Q2 in 2023, a significant demand beyond supply for social housing remains.

Figure 9: Number of Households on the Wellington-Guelph Centralized Waiting List (2019 to Q2 2023)



Rent Supplement Programme

In addition to the Rent-Geared to Income programme, the Rent Supplement Programme helps fill the affordability gap for individuals experiencing homelessness to obtain permanent housing in the private rental market. This funding has been a key driver of our community’s reduction in homelessness by supporting 1,073 housing placements since 2018. Without this movement off the By-Name List, there would be more individuals experiencing homelessness in our community today, our shelters would be overloaded, and many households would be forced into unsheltered homelessness.

An increase to this programme will gradually provide rent supplement funding to approximately 50 additional households in 2024 with additional households in 2025.

Preliminary Additional Investments for the Rent Supplement Programme

A budget increase of \$500,000 is planned for 2024 with an annualized cost to \$900,00 beginning in 2025.

Key Performance Indicators

- Decreased need of emergency shelters
- Decrease in the number of people experiencing chronic homelessness.

Maintenance Costs of Social and Affordable Housing Stock

The costs to maintain the County owned social housing stock have also dramatically increased in 2023, largely due increased costs of labour and materials, higher insurance claims, increasing the use of abatement companies to deal with small asbestos remediations, increased move out costs, and eviction delays at the Landlord Tenant Board.

Move Out Trends and Costs

Turnover costs of units continue to add pressure to the maintenance budgets of all social housing providers. The numbers below are for move out costs in the County's owned housing stock:

- Between January 1 and June 30, 2023, there were 67 move outs.
- The average unit turnover costs for units closed out between January 1 and June 30, 2023, is \$9,011.
- The top ten most expensive move outs during the first 6 months of 2023 averaged \$48,579 per move out.
- Move out expenses for the first half of 2023 were \$856,245. 56.7% (\$485,788) of those expenses were from 14.9% of the move outs.

Tenant Charge Backs

Tenant charge backs related to tenant neglect or willful damage units has dramatically increased in the first half of 2023. The numbers below show the total tenant charge backs issued in the past 5 years. Decreases in 2021 and 2022 can be attributed to the pandemic when many move outs and transfers were cancelled or postponed. It should be noted that tenant charge backs usually go unpaid.

- **2019:** \$103,071
- **2020:** \$104,157
- **2021:** \$56,789
- **2022:** \$57,722
- **2023:** \$109,065 (January 1, 2023, to July 25, 2023). Projected to be \$186,969.

Preliminary Additional Investments for Maintenance of the Social and Affordable Housing Stock

A budget increase of \$700,000 is planned for 2024. This will be an ongoing cost throughout the 10-year plan.

System Level Administrative Needs

Additional investments are needed to enhance the Housing Services division's ability to plan, monitor and enhance the delivery of services across the housing continuum. The number of individuals newly experiencing homelessness and housing instability outweighs the staffing resources to support them within the housing stability system.

New positions include an additional Housing Stability Caseworker, a Data Analyst Coordinator, and temporary Housing System Trainer. A new Learning Management System will support online training for staff and community agencies who deliver services across the housing continuum.

Additional Administration Positions

A budget increase of \$259,000 is planned for 2024 with an annualized cost of \$311,000 beginning in 2025.



Summary of Preliminary Budget Increases in 2024

Incremental Budget Increase	2024
Homelessness Prevention Enhanced funding to support households with Utility Arrears and One Time Rental Costs (delivered by Housing Services)	\$500,000
Emergency Shelters Increase staff compensation, operation of 65 new shelter beds, continued use of 540 Silvercreek Pkwy N., as overflow (contracted service)	\$2,105,000
Emergency Responses to Homelessness Increased contracted positions for Outreach and Diversion/Rapid Rehousing Workers (contracted service)	\$180,000
Transitional Housing Operation of 43 new additional transitional housing units (contracted service)	\$314,000
Permanent Supportive Housing Financial support for housing stability positions supporting 48 units for adults and youth (contracted service)	\$776,000
Rent Supplements Enhanced funding for housing people experiencing homelessness (delivered by Housing Services)	\$500,000
Maintenance Costs Enhanced funding to support increased costs to adequately maintain the current social and affordable housing stock.	\$700,000
Administration Funding to support 2 permanent and 1 temporary positions (Housing Services division)	\$259,000
TOTAL	\$5,334,000

Costs throughout this report and summarized above are full municipal costs. It is projected that once appropriate costs splits have been applied the City share will be approximately \$4.6 million while the County share will be \$734,000.

Additional incremental costs of \$1.3 million (\$1.15 million City and \$150,000 County) will be experienced in 2025 as a result of the phase in of the programme changes outlined above.



Affordable Rental Housing



The County directly owns and manages a portfolio of government-funded affordable housing properties throughout our service area and is responsible for the oversight of over a dozen local affordable housing providers. Since 2006, the County as Services System Manager responsible for the delivery of federal and provincial affordable rental housing development funding has invested \$49,309,893 in the development of affordable rental housing options. Figure 10 (below) shows the breakdown of the 681 units of affordable housing options that make up the portfolio supported by the division as of December 31, 2022.

Figure 10: Affordable Housing Households supported by Housing Services Division in 2022

Housing Services by the Numbers - 2022 Snapshot



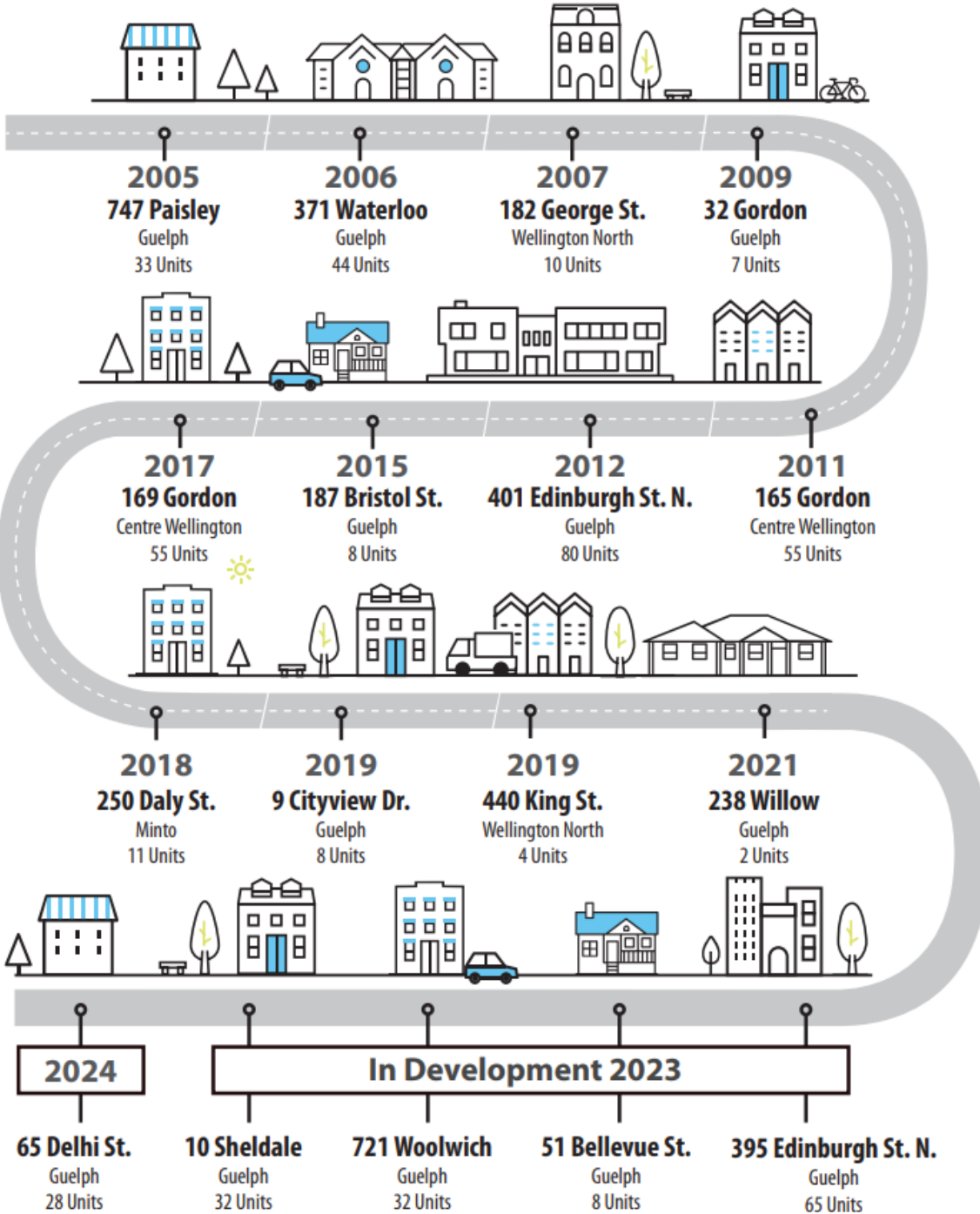
Figure 11, which appears on the following page, illustrates the development of government-funded affordable housing units in Wellington-Guelph service area between 2005 and 2022. In total, 482 units have been built during this period.



Figure 11: Affordable Housing Development (2005-2022)

Affordable Housing Development

The Housing Services Division has supported the development of 482 units of housing since 2005.



Pressures on existing Affordable Housing System

Affordability in Wellington-Guelph is a major barrier of the ability of many households to find and maintain a safe and appropriate home. When we look at the “Wellington-Guelph State of Housing and Homelessness” section at the beginning of this document, there are several data sets that are cause for concern.

The staggering increase in rental rates over a short time is a top concern. Housing Services conducts environmental scans of asking rents in our service area on an annual basis every spring. In 2019 the average asking rent for a 1-bedroom apartment was \$1,358 and in 2022 it was \$1,971 demonstrating a 45% increase (\$613). This level of inflation is not sustainable for the average household. Rent controls will protect households that aren't changing addresses, but those that need to move due to any number of reasons like a new job, growing family, changing communities, family relationship breakdown, will be facing very high rents.

The Core Housing Need data from the 2021 census, indicates that 7,690 households are already struggling with housing affordability.

The Wellington-Guelph is one of the fastest growing parts of Canada, with population growth rates far exceeding provincial averages. The rental rates will continue to climb as the demand for rental units grows, which will place more pressure on lower income households in Wellington-Guelph.

Increased affordable housing options are needed. The Housing Services division is working with potential affordable rental housing developers to bring more government-funded affordable units into the community. While the division is a delivery agent for federal and provincial capital funding initiatives (grants or long-term lower cost loans), funding is limited to the availability and timing of funds which often have a short turn around for applications. Programmes like the National Co-Investment Fund is a competitive process that requires local “co-investments” for a project to be eligible for the lower cost loans and grants which means that local investments are critical to creating more government funded affordable housing.

The funding needed to increase the availability of affordable housing options to the level of need in Wellington-Guelph would be significant. There were 7,690 households experiencing housing affordability concerns in 2021 in just the Guelph CMA. This number has likely risen over the last two years since the census was conducted. Investments from all levels are needed, but local investments need to be large enough and dependable for developers (Non-Profit or For-Profit) to be able to leverage commitments from upper levels of government. Long-term strategic plans around this level of investment are needed at the local level.

While there are no funding increases being requested in the 2024 Housing Services budget for additional government-funded affordable housing, the County will continue to work with local municipalities and housing service providers to leverage opportunities to build more government-funded affordable housing. (See Appendix A-Housing Advocacy Plans)

Primary Care, Mental Health, and Substance-Use/Addictions Services

Health and housing are basic needs that should be attainable for everyone in our community. However, timely access to appropriate health services and affordable housing are major barriers in our service area. This is especially true for individuals at risk of or experiencing chronic homelessness.

This document unpacks several housing focused investments to help households find and maintain an appropriate, safe, and affordable place to call home. Without access to appropriate health supports many housing placements will not be successful. Wellington-Guelph will not end homelessness in our community unless our residents receive timely access to appropriate health services and support.

Transitional and supportive housing options represent an important intersection between health and housing, where our community's housing infrastructure provides space for our community's most vulnerable to call home while accessing the primary care, mental health and substance use services in a consistent way that meets the resident where they are at in their health journey. Our community has been making large scale investments in this important housing stock, and health partners are securing the health investments needed to operationalize these projects. However, our system needs more intentional connections with health to support our community's most vulnerable.

Bringing health support into the housing continuum, including the emergency shelter system is a key step to ensure that individuals that are new to experiences of homelessness, or individuals with chronic experiences of homelessness can have timely access to services and supports.

The Housing Services division is currently working with local health agencies to submit funding proposals for health services to Ontario Health West to support the operational support needs of the supportive and transitional housing programmes, as well as some housing focused and community-based health investments.

While no increases to the Housing Services 2024 budget is being requested to support health services, the County will support applications to other levels of government to meet this critical need in making housing solutions successful (See Appendix A-Housing Advocacy Plans).



Appendix “A” – Housing Advocacy Plans

The following section will examine the interactions between housing and various systems and the importance of active collaboration towards preventing and ending homelessness. The intention is to use the recommendations below to focus advocacy efforts over the next two years.

Municipal Government and Local Departments

By collaborating with local municipal government and local departments such as Libraries, Planning Divisions, Emergency Management and Emergency Services together as a community we can make meaningful strides towards preventing and ending chronic homelessness and lasting commitments to the development of affordable housing in Wellington-Guelph.

- **Affordable Housing Reserves** are important tools to support developing affordable rental housing and accessing funding from upper levels of government.
- **Libraries** are truly meant to serve everyone in Wellington-Guelph, and this is evident in our community. Libraries across Wellington-Guelph have been great at providing welcoming spaces for community members that are experiencing homelessness.
- **Community Centres** are social hubs located across Wellington-Guelph where individuals and families of all walks of life gather. This hotspot can be explored in a new lens to explore new programming around housing stability and homelessness prevention and access to showers, bathrooms, and basic amenities.
- **Planning Divisions/Departments** (both County and City) finding ways to increase the development of primary rental units, with a particular focus on the development of affordable primary rental.
- **Emergency Management** (both County and City) to develop a partnership and interact between systems towards a common solution when community members lose their housing and methods to provide wrap-around preventative services.
- **Emergency Services** (both County and City including Fire, Police and Paramedics) to continue the great work with vulnerable populations who face trauma, mental health challenges, addictions to support housing focused solutions.

Provincial Government

The County of Wellington Housing Services’ role as a Services System Managers allows the opportunity to collaborate and communicate with various levels of government. Over the next two years, an emphasis on collaboration with both Provincial and Federal Government towards local solutions and increasing funding allocations will strengthen community sustainability of services programmes and work towards community goals.

Provincial Government Advocacy

- **Expansion of the Canada-Ontario Community Housing Initiative (COCHI)** – allows ability to support the sustainability of existing community housing in Wellington-Guelph.
- **Expansion of the Ontario Housing Priorities Initiative (OPHI)** – allows for meaningful commitments to affordable housing development.

- **Large-scale investment in the Canada Ontario Housing Benefit (COHB)** - to support more households with affordable housing with rising rent costs in the private rental market.
- **Substantial investment into the Landlord and Tenant Board (LTB)** – to enhance the process for timely mediations and avoid lengthy delays which inevitably led to increased rental arrears and increased housing instability.
- **No Discharges from Institutions into Homelessness** – call to stop discharges directly into homelessness from institutions (justice and health) and develop preventative and housing first practices to reduce inflow into homelessness.
- **Collaboration across Ministries with the BNL** – working with the local Ontario Health Teams’ (OHT) to prioritize health partners to be more housing focused on their work and prioritizing local By-Name Lists community members for services and supports.

Expansion of Provincial Social Assistance Programmes (OW and ODSP)

Basic Needs Allowance and Shelter Benefit Rates are too low to support households in the current housing market. Since the early 1990’s, there has been little change to the rate structures resulting in immediate risks and increased housing instability for all OW and ODSP recipients.

- **Basic Needs Allowances** – should be increased annually to match inflation.
- **Shelter Benefit Rates** – should be converted to a portable housing benefit like the Canada-Ontario Housing Benefit (COHB).
- **Review of Shelter Rate Tables for Rent-Geared-to-Income rent calculations** – Social Housing providers should be able to access up to the entire shelter benefit rates for households on social assistance. This approach will provide more rental income to support the capital needs of the housing providers.
- Noted by the Office of the Auditor General of Ontario in the Value-for-Money Audit: Homelessness December 2021 Report, *“According to data from the Canada Mortgage and Housing Corporation, the provincial average rental cost of a one-bedroom apartment in October 2020 was \$1,241 per month. That was \$72 more than the maximum Ontario Disability Support Program monthly payment for a single person and \$508 above the top monthly support payment to an eligible Ontario Works recipient.”*

Health Systems

If every individual or family were housed today, it does not mean that every housing solution would be successful due to the unique and diverse levels of on-going support needs to increase housing stability and retention. These supports can range from access to Primary Care, Addictions and Mental Health Supports. The collaboration between both Health and Housing systems is pivotal towards ending chronic homelessness and represents a continued shift from managing homelessness to ending homelessness. This shift happens by being housing focused and supporting community members to remain housed wherever possible and ensuring periods of homelessness are as brief as possible and not recurring.

- **No Discharges from Institutions into Homelessness** – As previously mentioned in the Provincial Government section. There is a significant need for preventative approaches and a shift away from discharging into homelessness for individuals.

- Noted by the Office of the Auditor General of Ontario in the Value-for-Money Audit: Homelessness December 2021 Report, *“In the health-care system, over 5,000 people experiencing homelessness were discharged from hospital after receiving inpatient care in 2019/20.”*
- **Collaboration across Ministries with the BNL** – As previously mentioned in the Provincial Government section, there is a significant need for advocacy and collaboration with the local Ontario Health Teams (OHT) and prioritizing community members on the BNL for access to health care services.
- **Timely Access to Addiction Treatment Services** – Wellington-Guelph community members currently have lengthy wait times to access treatment programmes and facilities.
- **Expansion of Assertive Community Treatment Team (ACTT) for Wellington-Guelph** – the current ratio of ACTT teams is 1:120,000. Currently Wellington-Guelph has 1 team working out of Homewood Health.

Justice System

Wellington-Guelph’s area is near multiple correctional facilities including Maplehurst Correctional Complex (Milton), Vanier Centre for Women (Milton), and Grand Valley Institution for Women (Kitchener).

- **No Discharges from Institutions into Homelessness** – previously mentioned in Provincial Government and Health System sections.
 - Noted by the Office of the Auditor General of Ontario in the Value-for-Money Audit: Homelessness December 2021 Report, *“... over the last three fiscal years ending 2020/21, an average of almost 3,900 individuals with no stable housing were released from custody each year.”*

Federal Government

- **Significant and large-scale funding increase to the National Housing Strategy (NHS)** and to the main pillars.
 - **Canada-Ontario Housing Benefit (COHB)** – as mentioned in the Provincial Government section earlier, an expansion to the COHB programme will allow capacity to support additional households as the private rental market costs continue to increase while Wellington-Guelph experiences extremely low vacancy rates.
 - **Reaching Home**
 - **Co-Investment Fund**
 - **Rapid Housing Initiative**
 - **Seed Funding**

