



Supportive Housing Case Studies: How supportive housing in Ontario and British Columbia is developed and operated

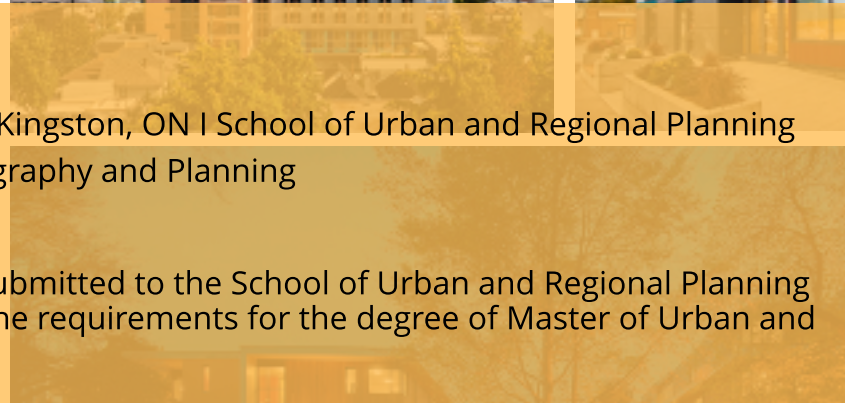


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A Master's Report submitted to the School of Urban and Regional Planning
in conformity with the requirements for the degree of Master of Urban and
Regional Planning



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EXECUTIVE SUMMARY

Housing is a basic need that many Canadians struggle to obtain. For some people, private market housing costs are too high, while others require additional services or supports to ensure stable tenancy and live independently and with dignity. Canadian housing policies have included specialized funding for supportive housing, intersecting affordability of housing, and the provision of supports.

This report discusses **supportive housing as affordable housing that is safe and secure, paired with the provision of support staff and services to enhance independent living.** Supportive services are often flexible in nature, dependent on the needs of the individual, and can have many different forms.

Purpose of the Study

The purpose of this report was to demonstrate lessons learned and provide a spectrum of evidence-based best practices from existing supportive housing developments.

Study Research Questions

The research questions addressed in this report are:

1. What are the existing models for development of affordable supportive housing?
2. What are the success factors to facilitate this type of development?
3. To what extent are these models and success factors aligned with the new funding opportunities under the NHS for supportive affordable housing?

Scope and Methods

This research paper used two research methods: a literature and document review and comparative case study analysis of supportive housing developments within the context of Ontario, British Columbia, and the new National Housing Strategy (NHS).

The analysis focused on:

1. The development of new supportive housing; and
2. Supportive services offered upon the completion and operation of housing.

Given the importance of the support services component, which is funded by the provinces, the research considered contrasting provincial approaches in Ontario and British Columbia. Seven case studies were chosen, four from Ontario and three from British Columbia. All of the case studies were of supportive housing developments. The seven case studies chosen in the report were:

- **Karen's Place**, Ottawa, ON
- **Parkdale Landing**, Hamilton, ON
- **Tony Di Pede Affordable Housing Complex**, Toronto, ON
- **Dryden Urban Indigenous Homeward Bound**, Dryden, ON
- **The Budzey Building**, Vancouver, BC
- **Camas Gardens**, Victoria, BC
- **New Jubilee House**, Vancouver, BC

Best Practices

The following best practices are a roll-up of generalized findings from the seven case studies. These could serve as lessons learned for housing organizations' future projects.

DEVELOPMENT

- A project is financially viable with free or low-cost land and equity from the project sponsor
- A project is financially viable with a non-repayable capital grant
- Supportive housing must have low rent

SUPPORTIVE SERVICES

- Supportive services are graded and dependent on the tenant's needs
- Supportive services are provided on-site with additional supports coordinated in the surrounding community
- Secure funding for supportive services

BRITISH COLUMBIA & ONTARIO

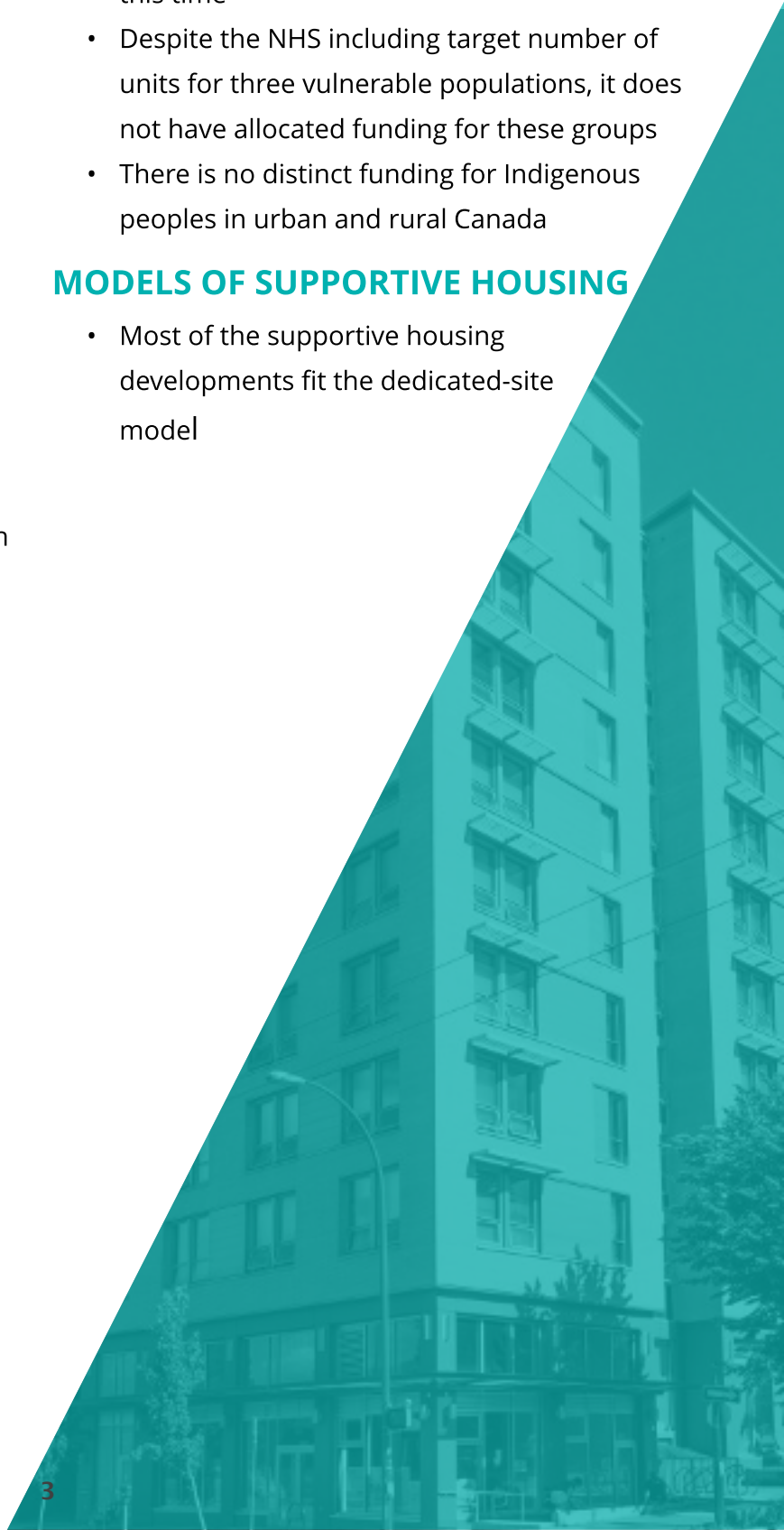
- The Government of British Columbia has policies, funding, and staff that deliver programs for affordable housing
- In contrast, the Government of Ontario downloaded responsibility for housing, leaving non-profit organizations as the project developer of supportive housing

THE NATIONAL HOUSING STRATEGY

- Although non-profits can apply for funding from the NHS, there are no earmarked allocations towards supportive housing at this time
- Despite the NHS including target number of units for three vulnerable populations, it does not have allocated funding for these groups
- There is no distinct funding for Indigenous peoples in urban and rural Canada

MODELS OF SUPPORTIVE HOUSING

- Most of the supportive housing developments fit the dedicated-site model



Overall Policy Context for Supportive Housing

Supportive housing has been developed in Canada for groups of people that need added supports to maintain permanent, stable, and successful tenancies. Yet, the development of supportive housing has many challenges, requiring affordable rents for tenants in the lowest income groups as well as funding for ongoing supportive services. This report demonstrated successful examples of recent supportive housing developments and showcased creative ways to promote further development with provincial governments and the non-profit housing sector. This report also examined how the NHS may play a role in future projects.

The key component of supportive housing is affordability. Residents of supportive housing often have the lowest incomes, many relying on low pensions, welfare, or disability shelter allowances. Supportive housing must be developed and financed to cover its operating costs with low rents and low revenues.

Helping people into permanent, stable housing that is affordable results in **increased stability for residents and improved health outcomes**. At the same time, some studies have shown that **supportive housing yields returns to society in terms of subsequent efficiencies and reduced costs** for other public services, like emergency shelters, the health care system, emergency services (including policing), and jails.

The case studies demonstrated that non-profit organizations have been able to develop successful supportive housing. In Ontario, it took considerably more effort by non-profit organizations without the support of the provincial government. On the other hand, in British Columbia, the provincial government provides funding to help finance projects, working directly with non-profit organizations, developing housing more effectively.

The announcement of the NHS brought promise and optimism for non-profit housing organizations with new opportunities for funding through various streams. However, there is **no specific strategy, plan, or programs for supportive housing in the NHS**. There is no earmarked funding for this type of housing, and it remains unclear how helpful the NHS will be when developing projects.

Given this situation, the following recommendations are meant to support and encourage new supportive housing.

Recommendation 1: The NHS should include funding streams and/or programs with money to be used specifically for supportive housing

The federal government should create a separate funding stream for the development of supportive housing. This stream could allocate funds to specifically address the targets identified for the creation of units for people living with developmental disabilities, seniors, and shelters for women and children fleeing domestic violence. It could also create targets for the other eight vulnerable populations identified in the NHS that do not have targets associated with them. With a separate stream, supportive housing developers would not have to compete with other developers for funding.

Recommendation 2: The Government of Ontario should provide more support to housing organizations

The Ontario provincial government should create programs that aid housing organizations in development of affordable housing, including supportive housing, similar to that of the Government of British Columbia. This support would help streamline some of the activities associated with development, such as: land acquisition, non-repayable capital grants, low-interest financing, and on-going funding for supportive services. It is difficult to build projects without government support.

Recommendation 3: The British Columbia and Ontario governments should allocate funding for supportive housing under the FPT agreements

The provincial governments should create programs for supportive housing with the joint funding from the bilateral agreements under the NHS. Similar to the first recommendation, a separate program would allow for supportive housing projects to not compete against non-supportive housing projects.

Recommendation 4: Funding for supportive services should come with capital development funding

Funding for supportive services lowers the operating costs for the housing operator. This can allow for lower rents and perhaps more units in the building.

Provinces should have programs to fund ongoing supportive services. In British Columbia, this occurs through BC Housing but in Ontario it is often through the Ministry of Health. It would be helpful for Ontario to keep this program in the housing division for increased efficiencies.

Recommendation 5: Housing operators should secure low-cost or free land and government financial assistance

This research demonstrated that considerable financial assistance is required to develop supportive housing. Equity and mortgage financing alone are not enough to create a project. Those projects that were able to purchase low-cost land or receive land for free also required government financial assistance.

A housing operator will want to explore the optimal financial mortgage payments to ensure that low rents for tenants are balanced with operating costs. This can reduce financial mortgage payments with non-repayable capital grants and equity put towards capital costs. The organization will want to limit the amount of equity used because it could be saved for future projects.

Recommendation 6: Further research could be completed regarding the supportive housing sector

Areas where further research could be conducted to expand upon this report include:

- case studies from other provinces
- interviews with the housing and supportive services organizations
- more in-depth research and data collection
- alignment of income-mixing goals with provision of high supports for people with the lowest income levels

