

December 22, 2014

To: London City Council

2015 CITY BUDGET
Adequate Funding for Homelessness Programs
Including the Housing Stability Bank

Neighbourhood Legal Services is a poverty law clinic assisting low-income Londoners with legal issues in the following areas:

- Ontario Works
- Ontario Disability Support Program
- Employment Insurance
- Canada Pension Plan Disability
- Landlord/Tenant

Due to the nature of our work, we are routinely reminded of the challenges and difficulties that low-income Londoners must confront. Part of the clinic's mandate is public legal education, law reform, and ensuring that the interests and concerns of low income Londoners (those on social assistance, fixed-income, working poor) are made known and are taken into consideration in the area of public policy.

In light of the above, Neighbourhood Legal Services would like to make the following comments with respect to the 2015 Pre-Budget Consultation process. We would like to highlight a few key priorities we believe need to be addressed in the upcoming budget and in future budgets. These key priorities should also form part of Council's strategic planning initiatives over the next four years.

One of the main issues we would like Council to address regarding the 2015 proposed City Budget is the substantial inadequacy of funding for the Community Homeless Prevention Initiative Program (CHPI), which includes the Housing Stability Bank. Firstly, we believe that the CHPI funding for 2014 was not adequate to meet the needs of low-income Londoners with respect to finding and maintaining safe and affordable housing. We understand that the inadequate funding was in large part due to the Ontario Government's decision to end the Ontario Works/Ontario

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Disability Support Community Start-Up and Maintenance Benefit Program (CSUMB) effective January 1, 2013 and to provide municipalities with approximately half of the CSUMB budget. Our clinic and many other agencies across the province continue to implore the Ontario government to fully reinstate the CSUMB program.

To date, our efforts have not been successful in having the program reinstated. However, in the 2014 budget, the province did announce that the \$42 million dollar transitional CSUMB funding to municipalities would become permanent. Despite this announcement, the city draft budget notes that these funds for 2014 have not yet flowed to the municipalities, and London has not yet been advised of their share of the \$ 42 million.

IT IS OUR SUBMISSION THAT THE CITY SHOULD ALLOCATE ADDITIONAL FUNDS TO THE CHPI PROGRAM, IN THE ABSENCE OF, OR IN ADDITION TO ANY ONGOING TRANSITIONAL FUNDING DELIVERED BY THE PROVINCE. THERE ARE A NUMBER OF COMPELLING REASONS FOR THE CITY TO ALLOCATE MUCH NEEDED RESOURCES TO THE CHPI PROGRAM AND IN PARTICULAR THE HOUSING STABILITY BANK AS WELL AS THE ONTARIO WORKS DISCRETIONARY PROGRAM.

I. HOUSING STABILITY BANK/ONTARIO WORKS DISCRETIONARY BENEFITS PROGRAM

Prior to the loss of the CSUMB program, there were gaps in providing some basic services/ items to those in need. The loss of the CSUMB program has led to significant gaps in providing basic services/items in London, especially in the area of helping individuals find and maintain housing.

In 2013, London put in place the Housing Stability Fund, which offset to some degree the loss of the CSUMB program. However, the City program did not cover many of the items previously covered by the CSUMB program, such as: essential household furniture/items/clothing; eradication of bed bugs; assistance for individuals moving into/out of London.

Some of the assistance provided by the Housing Stability Fund (now Housing Stability Bank) takes the form of a loan that is required to be paid back before an individual can access the Fund again. There was a large concern that many individuals (especially those on Ontario Works assistance where rates are well below the poverty line) will not be able to follow their loan repayment agreements and thus may not have ability to access the fund again when they face another housing crisis. Stats from the program to date have validated our concerns as only about 20% loan recovery has been achieved.

Due to the tremendous demand for the Housing Stability Bank (demand much greater than apportioned budget) further restrictions/constraints to the program took place in 2014 including:

- Removal of assistance for moving costs
- More funds now given as loans instead of grants
- Residing in London requirement increased from 3months to 6 months before being able to access the funds

The administration of Ontario Works London has advised our clinic and other local agencies that a

review of basic needs issues, including the Ontario Works discretionary assistance program, would be initiated in the fall of 2014. That review was not only supposed to identify gaps in basic needs assistance for individuals and families in London, but also outline some possible solutions to those gaps. However, this review will take a great deal of time and as of yet, it has not been initiated.

In light of the above, we are requesting that additional funds be earmarked for the Housing Stability Bank and Ontario Works discretionary assistance to help cover the great demand for finding and maintaining affordable housing and basic needs.

II. SUPPORTIVE HOUSING FOR THOSE WITH MENTAL HEALTH ISSUES

Many of the individuals we assist at our clinic have mental health issues. In our experience, one longstanding issue we have seen and continue to see is the great difficulty those with mental health issues face in finding and maintaining safe, adequate, supportive and affordable housing. Many of the barriers for those with mental health issues in the area of housing have been brought to the surface by the recent death in our community of an individual residing in an unregulated private for-profit group home.

The London Free Press has investigated and reported on the circumstances of this death. These reports have identified some of the serious issues in the area of housing for those with mental health issues, namely: finding and/or maintaining adequate housing.

There are substantial gaps in the current system for those with mental health issues, especially for those who require supportive housing. To fill these gaps, it appears private for-profit operators have sprung up and are being used by some health and community agencies to obtain some form of housing for their clients. However, it appears the housing provided by these operators involves substandard living conditions, serious safety issues and inadequate support. There also appears to be a lack of regulations, standards, and appropriate bylaws respecting the support and level of necessities these private operators should provide to the individuals they are housing.

On this issue, we are requesting that additional funds go to the CHPI program so that additional supportive housing placements can take place. In addition, we are requesting that an adequate bylaw to regulate these for-profit group homes be developed by the City to ensure safe and supportive housing is in place. This in turn requires adequate funding for bylaw enforcement.

III. AFFORDABLE HOUSING UNITS

As noted in the budget documents, the demand (waiting list) for social housing was at 2,745 households, with the demand increasing. There is a great need for additional affordable housing units in London. We urge the City to ensure that the reserve fund for affordable housing be maintained and that the City continue to push for appropriate funds for the higher levels of government so that the much needed affordable housing units are built.

Due the ongoing uploading of Ontario Works costs to the province, the City has saved and will continue to save millions of dollars. We implore the City to allocate a significant amount of those savings to assist low income Londoners in the areas of housing and basic needs.

Finally, we would like to highlight that the province made the ending of homelessness a priority area to tackle in its recently announced 5-Year Poverty Reduction Strategy. We ask that this Council also make ending homelessness a priority in the development of the strategic plan for the next 4 years and to adequately fund CHPI programs to meet this important goal.

Thank you for your anticipated review of the issues raised in this letter.

Yours truly,

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