



**KENORA'S AFFORDABLE HOUSING
NEEDS ANALYSIS
2013 Review**

PREPARED BY:

MAKING KENORA HOME CHARITABLE SERVICES INC.

Kenora's Affordable Housing Needs Analysis 2013 Review

Following the formation of Making Kenora Home in 2006, a report, "Community Solutions for Affordable Housing Projects, was issued to provide a comprehensive analysis of the local housing environment and need. Since the report's release in 2007, progress has been made on many of the original eight recommendations. A follow up report was commissioned in August 2013 to review current rental market availability, affordability and community need.

Making Kenora Home remains committed to advocating for adequate and affordable for all of the community's citizens as the primary. It is through "Housing First" that Kenora will be able to address the socioeconomic issues that have long divided our City.

Ralph Page
Co-Chair
Making Kenora Home

Diane Pelletier
Co-Chair
Making Kenora HOme

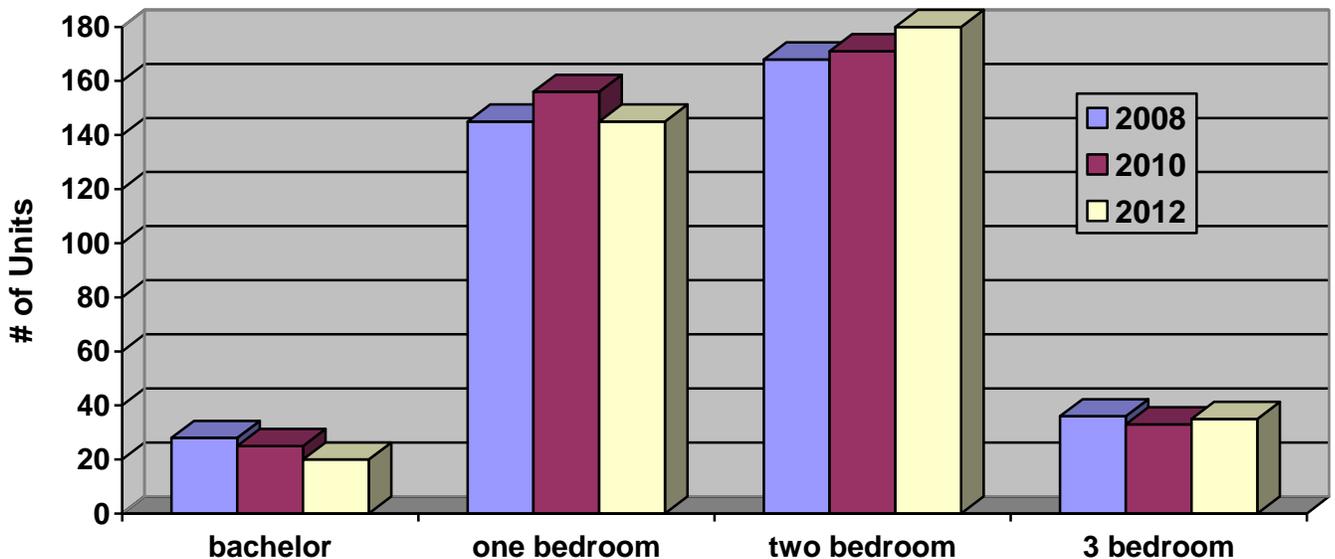
Rental Market Scan

Twenty three percent (23%) of Kenora's residential housing stock are rental properties¹. The rental market is a mix of privately (941 units) and publicly (479) owned residential units.

Private Market Review

Canada Mortgage and Housing Corporation (CMHC) issues their Rental Market Report in the spring and fall of each year. These reports track the number of private apartment units, vacancy rates and average rental costs in the community.

Distribution of Privately Owned Apartments/Townhouses Units²

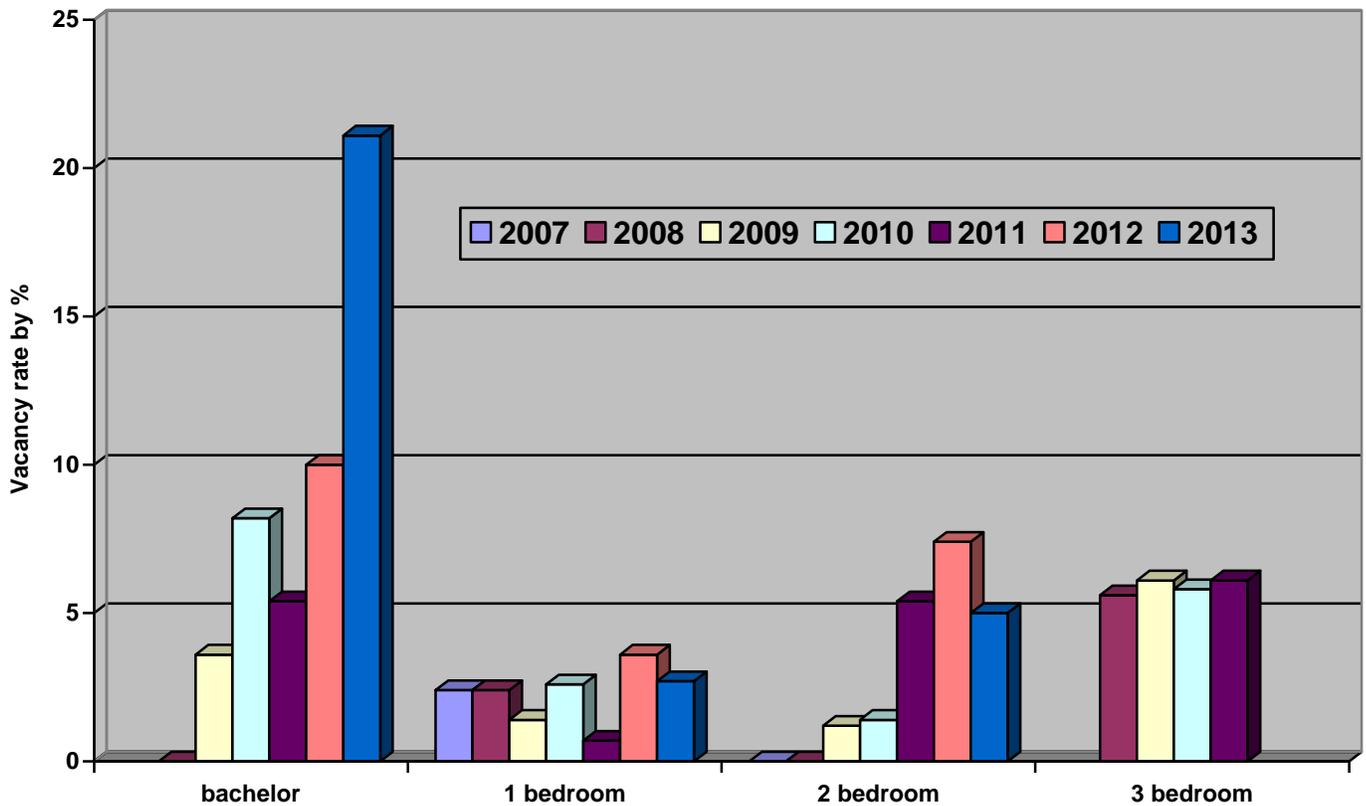


The vacancy rate is the percentage of the rental market units that are available for tenant possession during the assessed time period.

¹ Census 2006, Statistics Canada

² CMHC Rental Market Report-Ontario Highlights Spring 2013

Private Market Rental Vacancy Rates³



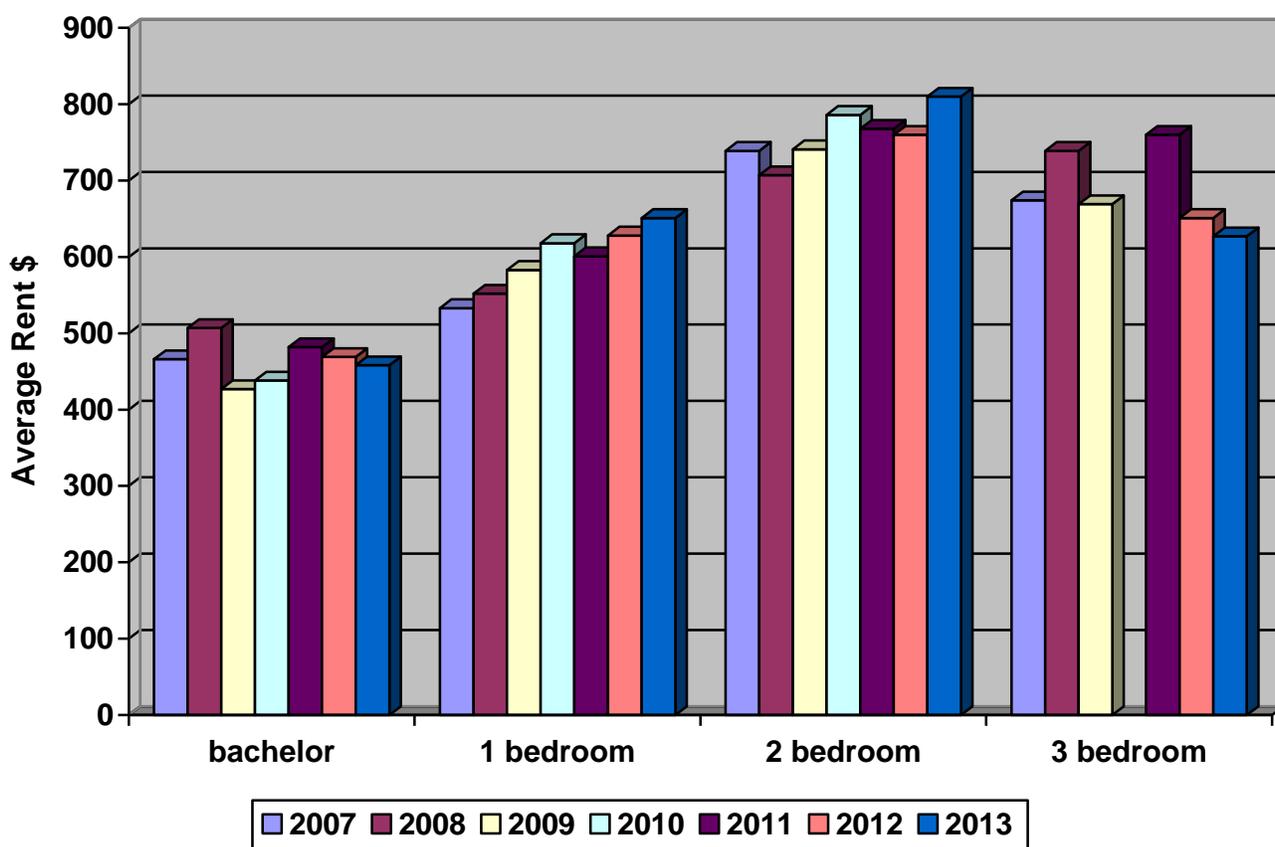
The high vacancy rate for bachelor apartments locally doubled over the previous year. The 21.1% rate is based on 20 private units which translates into only 4 available units monthly. Given the number of persons seeking units, the supply does not meet demand. Further, the cost of the units is a factor in rental market assessment. The advertisements for bachelor/one bedroom units in the local classifieds⁴ list rents for available units at \$1150, \$650, \$800, and \$700 respectively—all of which are beyond affordability guidelines for low income citizens. All four of these advertised rents are 30%-251% above CMHC's average market cost. More affordable units are usually obtained through word of mouth referrals so personal connections within the community are crucial for securing the more affordable housing.

³ CMHC Rental Market Report-Ontario Highlights Spring 2013

⁴ Daily Miner News 14 August 2013

The situation is similar for larger units. Monthly, approximately 9 two bedroom units may present to residence seekers as rental opportunities. The number of vacancies for units with three or more bedrooms is so low that CMHC’s statisticians have noted that a vacancy rate would have no statistical validity⁵. As with the bachelor units, the cost of the available units is often beyond the affordability range. This dwindles real availability for low income tenants. In addition, given the number of home hunters applying for these units, demand is high. Landlords can be very selective in tenant choice and this usually results in preferential selection of higher income applicants for practical reasons.

Average Apartment Rent (Private Market)⁶



Rental affordability includes both the rent and the cost of related utilities. Utility costs are the most powerful cost driver for shelter expenses. In 2013, the overall utilities cost per 2 bedroom apartment household averages \$194.00⁷ monthly. Like many other rural and northern communities, a significant percentage of the rentals (15%)

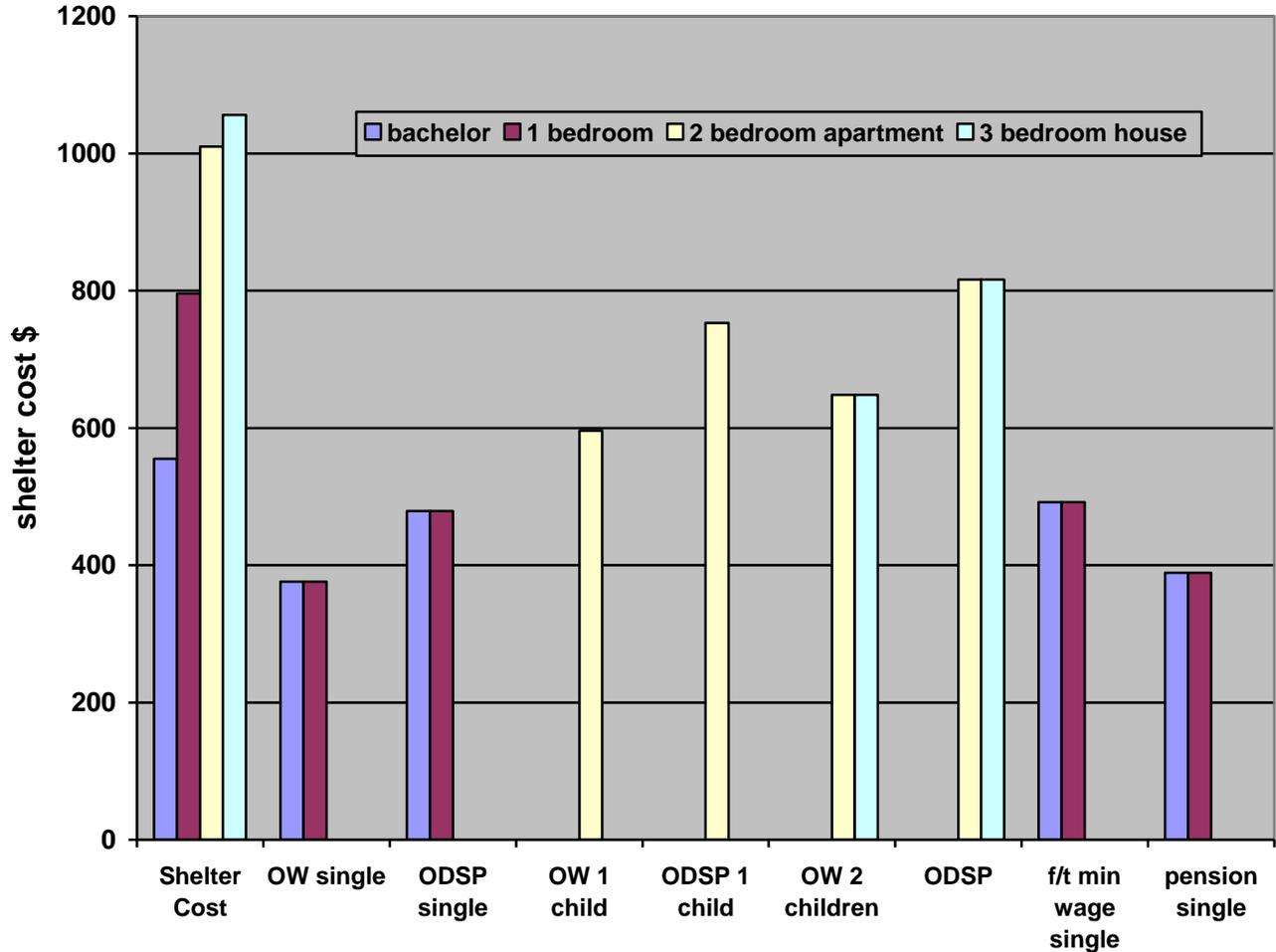
⁵ CMHC Rental Market Report-Ontario Highlights Spring 2013

⁶ CMHC Rental Market Report-Ontario Highlights Spring 2013

⁷ National Homelessness Initiative 2012 web page

are single detached dwellings that are not energy efficient. These small rental properties homes average \$426.00 monthly for all utility costs⁸.

Averaged Total Shelter Costs (Private Market)



Private shelter costs exceed affordable income lines in all low income categories. As expected, Ontario Works rates for individuals yield only between 47% and 68% of the overall averaged shelter costs. Families also find themselves below the shelter affordability line (single parent, 1 child on OW 59%; single parent two children on OW 64%). Families are forced to make choices between food, utilities and shelter due to the lack of affordable housing, escalating utility costs and skyrocketing food costs. Affordable housing is the core need that local communities can control.

Employment is often seen as the escape from impoverishment but there is little recognition that most entry level jobs will not provide much financial leverage. An individual working full time at minimum wage will be only be able to provide a

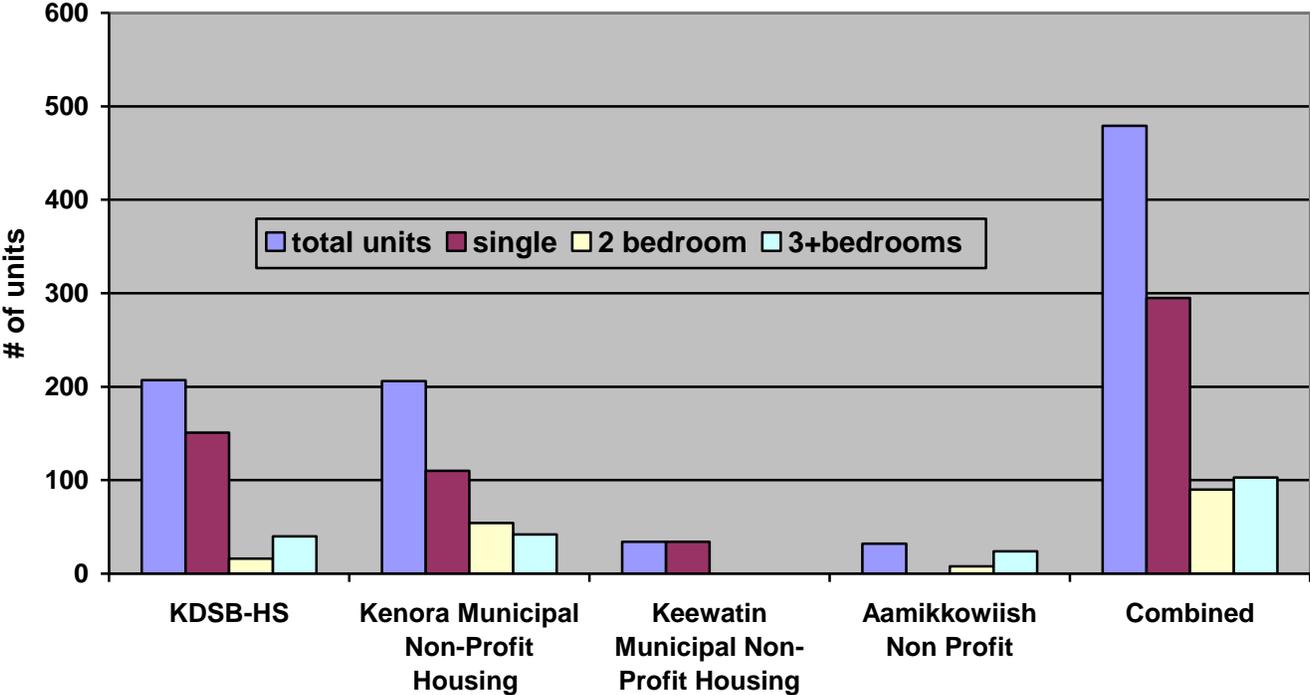
⁸ Northwest Community Legal Clinic 2013

portion (62% to 89%) of those projected total shelter costs. Given the proportionate increase of service jobs in the community, our economic planners must recognize that if the workers holding entry level positions cannot afford housing, they will move to other communities with either higher wages or lower rents. Without service personnel, local business cannot meet the needs of their customers and business declines. This scenario which has been common in resource boom towns can also occur in communities with a lack of affordable housing. Given Kenora’s efforts to enhance the local economy, housing is very much a business concern.

As is the national trend, Kenora’s population is aging. Individual seniors without private pensions, CPP or savings can only afford 49% to 70% of the average cost of a bachelor or 1 bedroom unit.

Non Profit Subsidized Housing Review

Distribution of Non Profit Units By Size



With a significant low income population, the pressure on the low end of the rental market squeezes out rental opportunities for most. This is reflected in the subsidized housing central wait list held by Kenora District Services Board. There are more

than 250 applicants waiting for social housing units in Kenora and Keewatin. There are many factors that can impact the expected wait time for applicants however estimations can be made. Seniors can expect to wait between one and two years. For families, the time frame is projected at three years. Single adults can stay on the list for five years before a unit becomes available. The wait list load has continued to creep upwards since the 2007 Community Solutions for Affordable Housing Projects report.

The gap between decreased capital funding and increased need for affordable housing has widened. There is fierce competition for limited grants across the province and nation. Given the costs of property management, each non-profit housing provider strives to balance program requirements and escalating expenses. Their efforts are commendable but the reality is that local housing stock is aging and repair costs are increasing. Strategies to sustain operations have included increasing the number of market rent units in some projects and off-loading utility costs onto tenants. The subsidization adjustment formulas used for utilities severance are mandated and do not reflect the real cost of energy. Community legal clinics⁹ have noted an increase in evictions from units due to the tenant's inability to cover rising utility costs in both the non-profit and the private rental markets.

Rental Market Affordability

Unemployment rate has hovered locally between 7% and 8% for the last decade. The 2011 census results on income and selected dwelling data will not be released until mid-September 2013. Given the minimal change apparent between the 2006 results and the available 2013 data, it is reasonable to project income and shelter information based on the 2006 data¹⁰.

Before taxes 8.6% of our population is deemed low income (1305 citizens). Median income is \$29,069 for singles and \$41,012 for lone parent households. The LIM¹¹ rate is set at \$18,520 for a single person, \$23,055 for a two person household and \$28,343 for a three person household. LIM (low income measure) is the most common poverty measure used internationally. Ontario Works (single \$625, parent & child \$940, parent & 2 children \$1367) and Ontario Disability Support Program (single \$1086, parent & child \$1503, parent & 2 children \$1960) recipients fall far below the LIM line.

⁹ Northwest Community Legal Clinic, 2013

¹⁰ Statistics Canada, Census 2006

¹¹ Statistics Canada, Census 2011

Projected Affordable, Adequate & Accessible Housing Demand

Suitable housing is three dimensional. Canada Mortgage & Housing Corporation (CMHC) defines suitability as affordable (total shelter costs not exceeding more than 30% of gross income), adequate (in good repair and large enough for the household needs) and accessible (meeting accessibility requirements for the disabled). With our local aging population and higher disability rates¹², accessibility needs are rising and the construction of more accessible rental units will be required to meet needs. Although consideration of accessibility needs for the physically disabled is improving, there are other disabilities with accommodation needs that are not being adequately addressed. As those with mental illnesses, cognitive impairments and brain injuries are integrated into community housing, housing providers have been challenged to accommodate the problematic behaviours that are sometimes symptomatic of the disability.

Accessibility is also a transportation issue in our community. Employment, education and health care all rely on the individual's ability to secure transportation between their residence and service provider locations. For the healthy population, our limited public transportation impacts access to services and employment opportunities.

Canada's National Homelessness Initiative estimates that 14% of the general population is underhoused¹³. In the tri-municipal area, this rate translates to 2098 citizens who require more affordable, adequate and accessible housing. Because the count is of individuals rather than housing units, the local need can be further extrapolated through available statistical data (2011 Canadian census).

Identified Groups Requiring Affordable, Adequate & Accessible Housing

<i>Group</i>	<i>Numbers</i>
Chronic/Episodic homeless-singles	25
Hidden Homeless (singles)	88
Under-housed Singles	788
Disabled Individuals	192
Under-housed Families	615

Projecting need relies on demographic trends. The census data indicates that there is an aging urban population that will inevitably require a increased accessible accommodation. Singles lead the need for affordable housing. The private market has expanded only into the higher end of the rental market. Private enterprise is deterred from investing in affordable housing by high construction and maintenance costs.

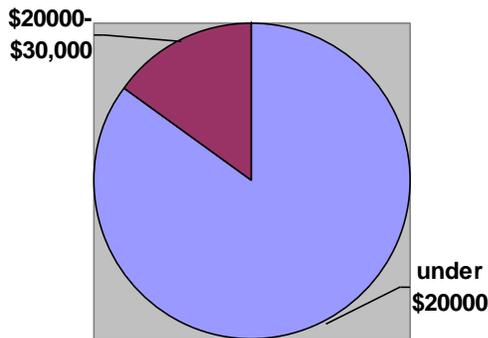
¹² Northwest Health Unit 2007 Update Report Uniquely Situated and Distinctly Different

¹³ National Homelessness Initiative 2006

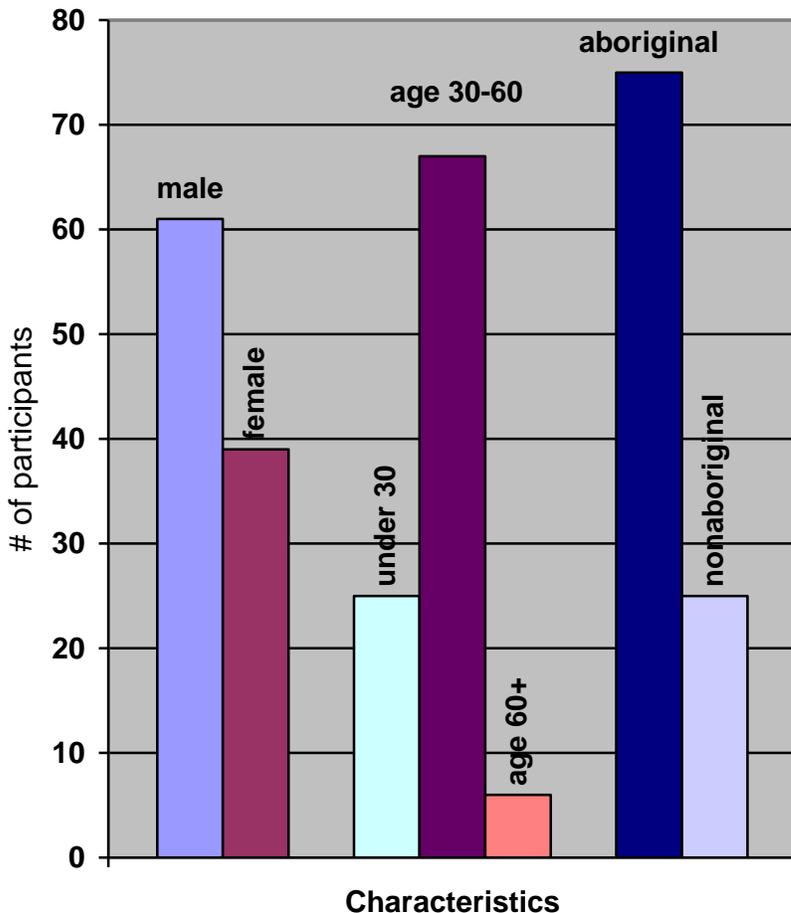
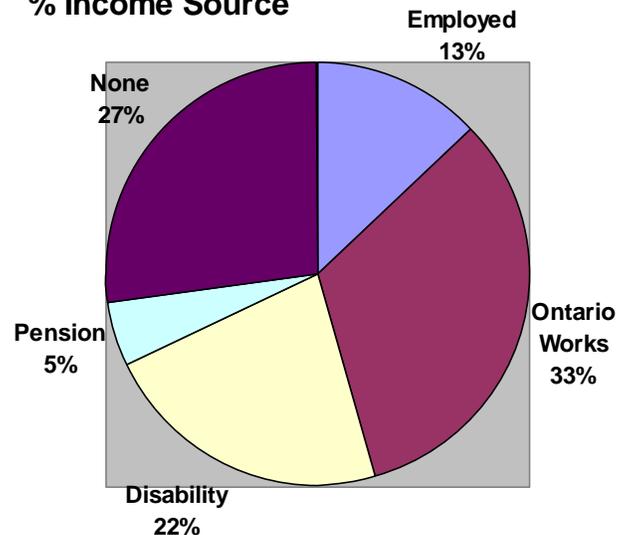
Low Income Housing Survey

Between August 1 and 15th, Making Kenora Home surveyed low income citizens with regards to their housing needs. Survey parameters were set to include only those whose incomes were below \$40,000 annually and did not currently live in subsidized social housing units. Demographic, income, health and current residence data was collected to determine local housing demand. Five volunteers interviewed survey participants in varied locations (public venues, service offices, door to door). The results confirmed the needs set out in the 2007 Community Solutions report¹⁴.

% Participant Income



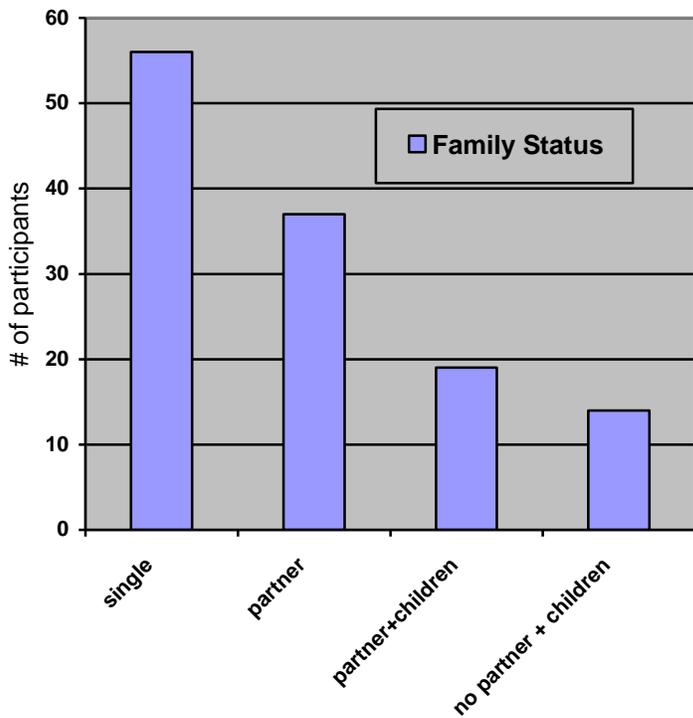
% Income Source



There were 100 surveys completed. Eighty-five percent (85%) had incomes of less than \$20,000. Twenty-seven percent (27%) had no income at all. Most were on social assistance (Ontario Works 32%, ODSP 22%). Of those who were employed, only half worked full time.

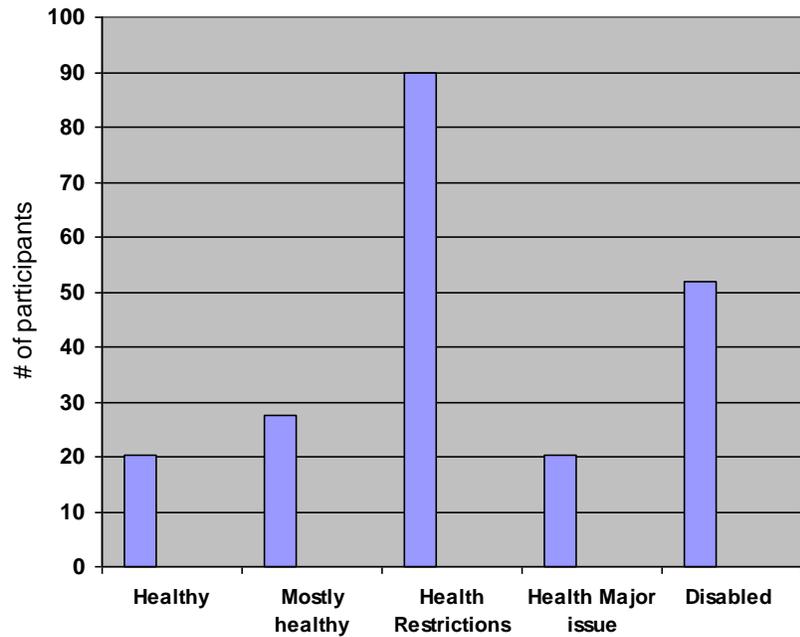
Survey participants were generally middle aged male aboriginals. Most of those who were unhoused which is a high risk lifestyle, were males. Only 10% of the females were under 30 years of age. Over age 60, the genders were equally represented.

¹⁴ Community Solutions for Affordable Housing Projects , Making Kenora Home 2007

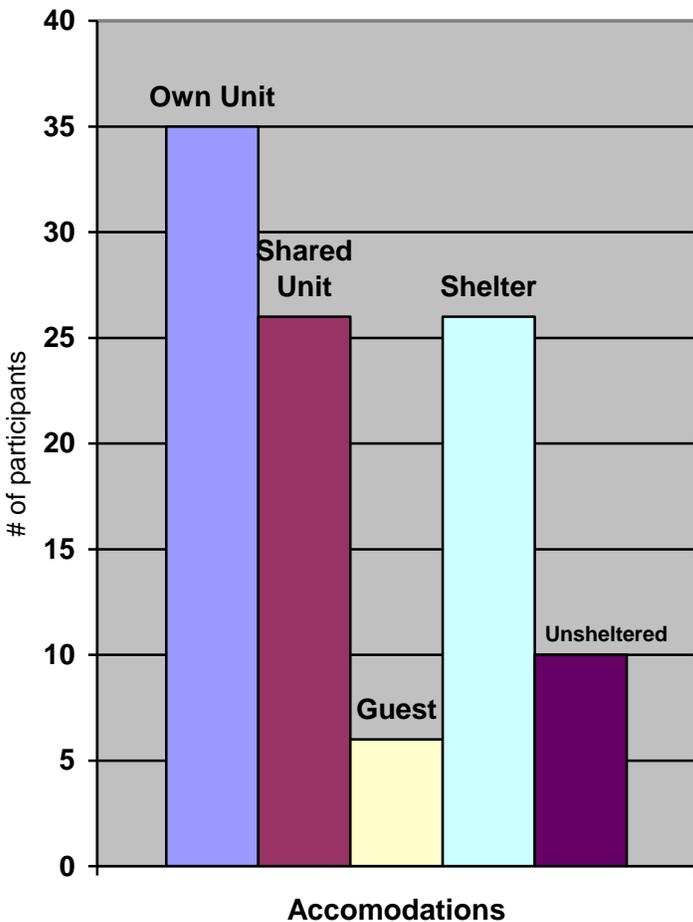


Most interviewed reported being single (no partners, no children). Twenty six percent (26%) of women were single parents while only 7% of the males lived in lone parent households. The average number of children per household was 3. Twice as many surveyed women reported having partners (54%) than males (25%). Forty-one percent (41%) of couples did not have dependent children.

Self Reported Health Status



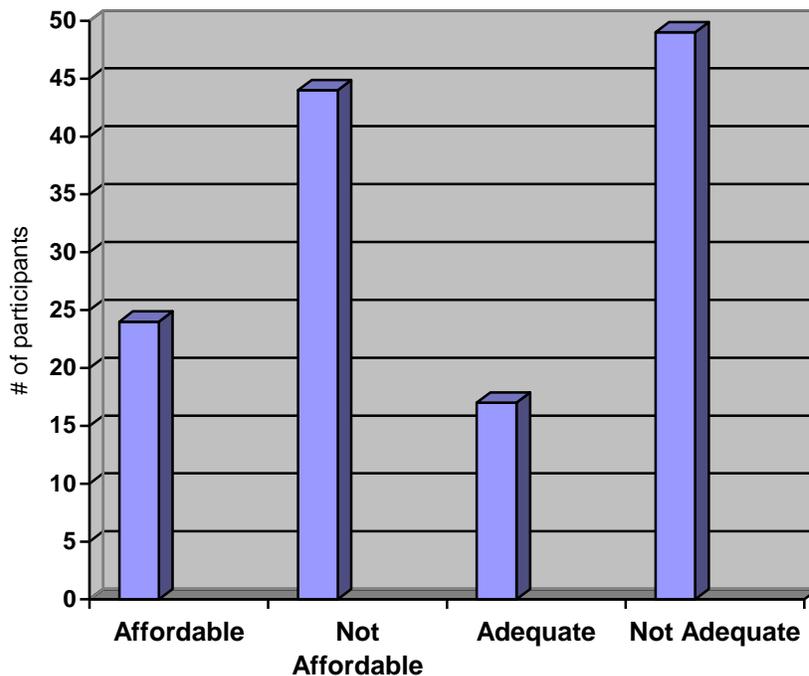
Eighteen percent (18%) of the participants were disabled and another 27% reported health issues. Only 44% considered themselves to be healthy enough to work fulltime.



Ten percent (10%) of the surveyed citizens reported sleeping regularly outside. Only 2% of the rough sleepers were females and they each noted that they had partners who stayed with them for safety. Six percent (6% total; 2% female) were the hidden homeless who are reliant on the good will of acquaintances. It is expected that a winter survey's results would report decreased outdoor sleepers because of severe weather conditions. Twenty six percent (26% total; 11% female) share a unit to cut costs. Another 26% (8% female) report staying at the emergency shelter regularly.

Current Accomodation Suitability

Almost half of those who are housed report that their accommodations are not affordable nor adequate with regards to size, safety and maintenance concerns. Eighty-four percent are actively seeking other accommodations in the community. Many of the surveyed participants commented on the hopelessness of finding suitable accommodations in Kenora.



Review of 2007 Housing Recommendations

The “Community Solutions” report supported the establishment of a full housing continuum for Kenora to support the existing patchwork of local housing options that had been developed over time. It was a broad approach with specific recommendations to begin meeting the assessed needs. Each recommendation was supported through a well researched rationale.

Progress on the recommendations is as follows:

1. **Full-time Emergency Shelter:** *That the designated emergency shelter at the Kenora Fellowship Centre operate full time.* Despite the lack of core funding, the Fellowship Centre managed to remain open as a full time operation until recently. To cover a funding shortfall, hours have been snipped from the operational schedule but the centre has been able to open daily.
2. **Eight Transitional Single Room Occupancy Units:** *That eight (8) single room occupancy (SRO) units be added to the community’s housing stock as transitional housing.* Although the proposed construction of 8 transitional units for the chronically homeless has not yet been funded, there have been multiple submissions made. The Fellowship Centre is making effort to renovate basement space into a hostel like environment for those patrons who are ready to transition into housing. In addition The Problematic Substance Use Initiative has secured 8 housing subsidies and a supportive housing worker under a program partnered by Community Mental Health Support Services/Kenora Association for Community Living and Lake of the Woods District Hospital Community programs/Morningstar Centre.
3. **Twenty Single Room Occupancy Units:** *That twenty (20) single room occupancy (SRO) rent geared to income units be added to the community’s housing stock as permanent housing.* No progress has been made towards the development of 20 affordable units.
4. **Ten Single Dwelling Aboriginal Family Units:** *That ten (10) single dwelling Aboriginal family units be added to the Aboriginal housing provider’s portfolio.* Aamikkowiish partnered with the Kenora Affordable Housing Group to build 10 family homes under the FIMUR (First Nations Inuit Metis Urban Rural housing) program. The project is part of \$2.89 million local project awarded through the Ontario Aboriginal Housing Support Services Corporation.
5. **Tax Discount/Credit and Utility Credit for Low-Income Seniors:** *That options of a tax discount, utility discount or a maintenance tax credit for qualifying seniors on low fixed incomes be investigated and that the future needs of seniors population be closely monitored.* Kenora City Council does have an existing bylaw that allows property tax increases to be deferred and secured by a

property lien. Until section 319 of the Ontario Municipal Act is amended to allow deferment of part or all of the municipal property taxes, the City cannot circumvent the legislation. There is limited local eligibility for LEAP (Low Energy Assistance Program) for customers of Kenora Hydro Electric Corporation and Hydro One. The LEAP (Hydro One allocation) funding for 2013 was depleted by April with no further funding available. In 2011 Kenora Hydro removed requirements for utility deposits for low income customers meeting specific criteria.

6. **Two Supportive Housing Units:** *That two (2) supportive housing projects be developed to enhance the supportive housing continuum: One project to provide ten (10) transitional support housing units for victims of violence, and another project to provide ten (10) units of senior support housing with health supports and assistive living.* In a creative partnership, Pinecrest District Home for the Aged partnered with three senior's residential complexes to offer on site services for seniors within the housing complex. With a varying fee schedule, residents can assess health and assistive living services. Seven transitional housing units for women fleeing abusive relationships have been funded through the \$2.89 FIMUR project.
7. **Rent Subsidization:** *That fifteen (15) units for family housing for single parents and ten (10) units for housing for individuals experiencing mental health dysfunction be identified and prioritized for rent subsidization programs.* The Ministry of Health has provided rent subsidization for 4 individuals experiencing mental health dysfunction and 4 whose mental illnesses have brought them into conflict with the justice system. There have been an additional 2 subsidies to private landlords through KDSB out of the 13 that they manage regionally.
8. **Revolving House Trust:** *That effort be directed toward the establishment of a revolving housing trust for low income families.* The first build for Habitat for Humanity (Kenora Chapter) was completed and the home is now occupied by the selected family. The next build is which is expected to begin in 2014. Six other home ownerships were subsidized in 2010 through FIMUR for aboriginal applicants.

On review, each evaluated housing impact listed in the community scan remains valid in 2013. The impacts included the following considerations:

1. Social marginalization of the Anishinaabe has resulted in higher rates of chronic and episodic homelessness amongst the people who were the first inhabitants of this area. This was borne out in the 2013 homelessness survey results.
2. Communities located on the Trans-Canada tend to have higher rates of transient populations requiring emergency food and shelter.

3. Any housing projects designated for low-income individuals must be located close to the downtown core unless there is access to municipal transportation.
4. The stranding of individuals in the community needs to be addressed by the provision of emergency shelter and transportation services.
5. Although the cost of building or operating the affordable housing projects is higher than in other localities, it is crucial to mediate the cost of living by ensuring access to affordable housing.
6. Because of the extended, cold winters, housing projects must be designed with efficient insulation and low-cost heating.
7. Youth out-migration results in many seniors not having nuclear or extended family support for independent living within their homes.
8. Vacant buildings such as warehouses, hotels and schools should be considered for housing in-fill through renovation.
9. Lower education levels are correlated to decreased income and an increased risk of homelessness.
10. Student housing is also a need within Kenora as those from outlying areas come to the community seeking education and training opportunities.
11. In constructing local housing projects, ensuring accessibility for those with disabilities will be a priority based on the local functional health ratings.
12. Access and/or transportation to medical, disease prevention, and health promotion services must be considered.
13. The higher disability rates coupled with the aging population indicates a growing local need for supportive housing for seniors.
14. Local addiction rates are very high. Safe, affordable housing is crucial to addressing addictions.
15. The high domestic violence rates speak to the need for transitional support housing for women leaving abusive partners.
16. The higher local rates of residents experiencing long term psychiatric dysfunction indicates an increased need for supportive and affordable housing.

Outstanding recommendations include securing core funding for a full time emergency shelter, subsidizing rents and support for 8 SRO units for those transitioning out of chronic homelessness, construction of 20 SRO units for the general public, a utility discount/tax credit for low income seniors and 15 rent subsidizations for single parent family households. Each recommendation remains strategic for the reasons noted below:

24/7 Emergency Shelter

-Because of geographic location, Kenora will always have a year round transient population.

-The hostel is the first step in transitioning people from the streets into greater stability with decreased community cost. It is a crucial component in constructing any community housing continuum.

-By partnering the shelter operation with the funded day time drop-in program, hostel operational costs are limited to staffing and food.

Transitional SRO Units

-A transitional single room occupancy unit will empower the most marginalized of our citizens to being stabilizing through supportive housing.

-The chronic and episodic homeless population has remained constant given the geographical and sociological features listed above as housing impacts.

-Residency in the transitional SRO units is time limited allowing more to benefit from the project however, there must be available affordable permanent housing for the graduates of the transitional program to move into.

20 SRO Units

-Individuals have the most pressing housing need in the city

-Having permanent housing will move the chronically homeless and hidden homeless into stable housing.

-Single room units typically have the lowest construction cost.

Senior's Tax, Utility, Maintenance Discounts/Credits

-Many seniors live on low fixed incomes that do not meet rising shelter costs

-Seniors are increasing proportionately within the community and with the noted youth outmigration, traditional family support networks are fraying.

-Encouraging seniors to remain in their homes stabilizes neighbourhoods.

Single Parent Rent Subsidization

-The lower incomes of single parent households put families at risk of being unhoused by high rent and utility costs.

-Because secure housing is crucial to nurturing education, social development and relationships, families need affordable housing for the benefit of their children.

-Subsidization will encourage access to affordable housing through private enterprise.

To address our community's housing needs, we must enter with the understanding of the Housing First perspective that has now been recognized by the federal government as the most effective approach to housing challenging citizen needs.

We also must support the development of a complete housing continuum to serve the Kenora's citizens. It is through adequate and affordable housing opportunities that all of our citizens will be better positioned to develop better health, attain higher education levels and alleviate the impacts of local economic constrictions.