UPLOAD CO-OP HOUSING

A way forward in the Fiscal and Service Delivery Review

In 2006 Premier McGuinty announced an ambitious and far-reaching review that would re-balance the provincial-municipal fiscal and service relationship and start to undo the damage caused by Conservative downloading.

Two years later, the Review's final report is long overdue and consensus hard to find. A downturn in Ontario's economy had limited the Provincial capacity to take back costs. But municipalities aren't ready to let go of the historic chance to make sense of who does what and get rid of unmanageable expenditures.

CHF Canada's proposal to upload co-op housing offers **a way forward.**

OUR PROPOSAL

1. **Return the cost and control of co-operative housing to the provincial level.** There are 261 co-operatives with 21,631 units under municipal administration – about 8% of the portfolio of municipally funded social housing. The annual cost to the province is estimated to be just over $100 million.

2. **Amend the *Social Housing Reform Act* (SHRA) to create a more effective and accountable program.** Many features of the Act have proved unworkable for resident-controlled housing co-ops.

3. **Enter into an agreement with the Agency for Co-operative Housing to administer a reformed program.** The Agency already administers 18,920 units of co-operative housing in Ontario.

THE BENEFITS

Our proposal will offer real benefits for all the parties involved.

Benefits for the Province

- a cost-effective way to give municipalities a significant but contained measure of financial relief from the download
- expert administration through the Agency for Co-op Housing
- no need for the Province to re-establish this function.

Benefits for municipalities

- substantial savings in program funding
- more efficient administration of the remaining portfolio of similar providers
- lower costs for service managers in the Greater Toronto Area for pooling of social housing.

Benefits for housing co-operatives

- more control over operating results and greater accountability for them
- ability to benefit from the advantages of the co-op housing model
- a program administrator that specializes in co-operative housing
- all Ontario housing co-ops under one roof.

AN OPPORTUNITY FOR PROGRESS ON MUNICIPAL AND FEDERAL FRONTS

Our proposal can help Ontario move forward in its negotiations with both the municipal sector and the federal government on who should be paying for social housing.

It is an **important first step** in uploading the costs of social housing that everyone agrees belong at the provincial level. But the cost is contained and the change can be managed because the Province can outsource the program administration.

This proposal offers **the McGuinty government a ready-made opportunity to make good** on a high-profile 2003 election promise to begin to reverse the downloading of the previous Conservative government.

For the first time since the download, the Ontario government would once again be a direct funder of social housing. This would **strengthen the Province's position** as it attempts to get the Federal government to honour its traditional housing responsibilities.

The precedent for separating co-ops from the rest of social housing was established in 1999 when federal-program housing co-ops were the only form of social housing not downloaded in Ontario and three other provinces.

The Chrétien Federal Liberal government at the time recognized that the different governance structure and community-based nature of housing co-ops justified keeping co-ops together.

REMOVING ROADBLOCKS TO THE FISCAL AND SERVICE DELIVERY REVIEW

We recognize that the Province is facing a challenging economic outlook and may not be in a position to take on new significant financial responsibilities from municipalities at this time. We understand that this has become a roadblock to striking a deal with municipalities in the Fiscal and Service Delivery Review.

We think that our upload proposal **offers a way forward** for Queen's Park and municipalities alike, as a **contained first step** to uploading social housing costs. We estimate the cost to be just over $100 million.

Our co-op housing uploading proposal is worth a closer look.

For more information on our proposal contact:

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The Agency for Co-operative Housing

The Agency was set up in 2004 to administer federal co-op housing programs under contract with Canada Mortgage and Housing Corporation.

You can find more information on the Agency's risk-based, data-driven and client-focused approach on its website at www.agency.coop.

The Co-operative Housing Federation of Canada

The Co-operative Housing Federation of Canada has served for nearly 40 years as the national voice and advocate for co-operative housing. CHF Canada's Ontario Region is the voice of co-op housing at Queen's Park, representing more than 550 housing co-ops across the province.