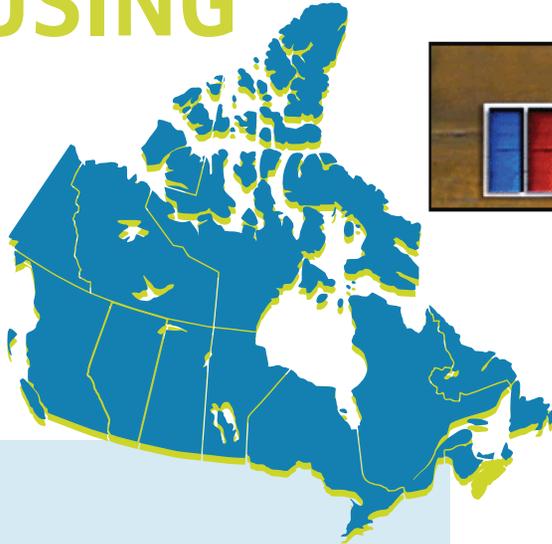


WHAT HAPPENS WHEN SOCIAL HOUSING OPERATING AGREEMENTS EXPIRE?



Social Housing 101

- Social housing is rental housing that is affordable to low and moderate-income households. It is provided by non-profit organizations, co-ops and public housing agencies. 544,000 households live in funded social housing, including 334,000 with very low income.
- Social housing has been funded by the federal government for over 40 years through long-term agreements currently worth \$1.7 billion annually.
- These agreements are coming to an end. Some agreements have already ended and more will soon.
- The end of an agreement usually corresponds with the end of a social housing project's mortgage. This means the social housing provider **requires less funding** than before because their costs are lower. But they still need some support because rental revenues are by definition very low, and for most this won't account for ongoing operating costs and/or repair and maintenance costs.
- This means many social housing providers will have to increase rents or sell units just to maintain other affordable units. **This will reduce the number of low-income Canadians who have affordable housing.** Already long waiting lists will grow even longer.

Who they are

Formed in 1981, **Tawaak Housing Association** is a non-profit housing corporation that owns, operates and delivers social housing to Aboriginal people of low to moderate income in Nova Scotia who cannot afford housing in the private market. Most of Tawaak's 145 social housing homes are located in Halifax and Dartmouth, with a smaller number in Sydney, Truro, Antigonish, Liverpool and Bridgewater. 129 were acquired through the federal urban native housing program and 16 were acquired through federal the private non-profit housing program. The homes that are part of Tawaak's portfolio are between 70 and 100 years old.

What happens when funding ends?

All of the housing delivered by Tawaak through these programs was supported by long-term federal funding tied to social housing operating agreements. These agreements stipulated that all of the units be rented on a rent-geared-to-income (RGI) basis to ensure they are affordable to the individuals and families most in need. As such, most of the units are rented at between \$300 and \$600 per month, depending on the household income. Because of this, they are affordable to those most in need.

The funding Tawaak receives through the operating agreements covers both the mortgage payment and the difference between the operating costs and the amount received in rental revenue from Tawaak. While the mortgage will be fully paid at the same time as the operating agreements end, they will be in a deficit situation as they will also no longer receive funding to account for the difference in operating costs and rental revenue. This part of the funding allowed them to offer affordable rents to those most in need and to pay for building maintenance and repairs. Without the operating agreement funding, they will be forced to raise rents for those who can least afford it, or sell some homes to keep others affordable and in safe condition. Neither of these are acceptable choices. The first four homes to lose their funding will do so in 2016. Six homes will follow in 2017; two homes in 2018; and 30 homes in 2019 and 2020. The remaining 103 homes will lose their funding between 2020 and 2027.

“It’s absolutely devastating” says Brian Dezagiacomo Executive Director of the Tawaak Housing Association. “Termination of federal housing funding rips at the social fabric of Canada and is an assault upon those Canadians least able to afford adequate, safe housing. It’s unbelievable a federal government that that has invested so much in social housing over the past several decades is now prepared to terminate funding, throwing thousands of Canadians and off-reserve Aboriginal peoples into the streets. This is a sad day for Canada. Housing Authorities will face immense crises and will ultimately be faced with tough decisions, including closing their doors” Dezagiacomo concludes.