

October 3, 2008

Ms. Sophia Aggelonitis
MPP Hamilton Mountain
99 Wellesley Street West
Whitney Block, 1st Floor, Room 1306
Toronto, ON M7A 1W2

Dear Ms. Aggelonitis,

Re: "Uploading" of Ontario-Program Housing Co-operatives

As you may well be aware, the Ontario Region of the Co-operative Housing Federation of Canada represents 550 non-profit housing co-operatives housing some 125,000 people across Ontario.

Over the last couple of years we have shared with you our co-op upload proposal submitted to the Provincial-Municipal Fiscal and Service Delivery Review. We understand that the Review will likely be issuing its final report in the coming weeks.

Given this timing, we felt it would be worthwhile to review the key benefits of our proposal and how it can be helpful to the Ontario government in its negotiations with the municipal sector and also with the federal government on who should be paying for social housing. The attached brochure outlines why we feel our proposal is timely and deserves the government's close attention as it makes some important decisions in the weeks ahead.

Under our proposal, the Province would upload the cost of the co-op housing portfolio (about 8% of the devolved social housing stock) from the municipal sector. We estimate the cost to be just over \$100 million. The Province would then contract with the Agency for Co-operative Housing to administer the provincial-program co-operatives. With Agency administration, there would be no need for the Ontario government to re-establish this function.

The Agency is a non-governmental organization set up in 2004 for the specific and sole purpose of administering co-op housing programs. Under a contract with the federal government, the Agency already oversees all federal co-ops in Ontario (about 19,000 units), as well as co-ops in three other provinces.

Our proposal has these notable benefits:

- It offers a cost-effective way for the Province to give municipalities a significant but limited measure of financial relief from downloaded costs.

- It contributes to resolving the issue of pooling of social housing costs between Toronto and the GTA regions.
- It provides for specialized program administration by the Agency for all Ontario housing co-ops under one roof.
- It would make it much simpler for the Ontario government to amend the rules in the Social Housing Reform Act (SHRA) to ensure that the community-based nature of housing co-ops is respected in the program. As many Liberal MPPs will know from their co-op constituents, it is a major source of concern to co-op housing residents that the McGuinty government has not made any significant changes to the SHRA, passed by the previous Conservative government in December 2000.

We know that the downturn in Ontario's economy has limited the provincial capacity to take back costs, making for a difficult set of negotiations with municipalities. We believe that our proposal can be helpful in these circumstances as it offers a way for the McGuinty government to take an important first step in uploading the costs of social housing that everyone agrees belong at the provincial level, in a contained and manageable manner.

An added advantage of our proposal is that, for the first time since the download, the Ontario government would be a direct funder of a portion of the social housing portfolio. This would strengthen the Province's position as it attempts to get the federal government to honour its traditional responsibilities for affordable housing.

For over 35 years housing co-ops have been a success story in this province. They build social cohesion by bringing together a mix of low and moderate-income Ontarians of diverse backgrounds to form well-integrated communities. We look forward to our ongoing work with the McGuinty government to maintain and build more co-op communities throughout Ontario that we can all be proud of.

Thank you for your consideration and please feel free to contact our Manager of Government Relations, Harvey Cooper at 416-366-1711 x 237 or hcooper@chfcanada.coop, for more information on the proposal.

Yours truly,



Amanda Yetman
President
Ontario Council
Co-operative Housing Federation of Canada

Attachment:

- *Upload Co-op Housing* pamphlet