



THE DISTRICT OF THUNDER BAY  
SOCIAL SERVICES ADMINISTRATION BOARD

# Ontario Priorities Housing Initiative (OPHI) Funding

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## POSITION PAPER

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Prepared by:

The District of Thunder Bay Social Services Administration Board

Prepared for:

Hon. Paul Calandra, Minister of Municipal Affairs and Housing

# Brief

The District of Thunder Bay Social Services Administration Board (TBDSSAB) requests that the Minister of Municipal Affairs and Housing (MMAH) increase the Ontario Priorities Housing Initiative (OPHI) allocation to TBDSSAB to allow for the creation of new Community Housing stock to address the current shortfall of units in the District of Thunder Bay.

## Summary

Recent OPHI allocations have been spent on Ontario Renovates projects to keep people housed as funding has been too low for new builds in the District of Thunder Bay. 34% of the Community Housing waitlist do not currently reside in a unit, and the rental vacancy rates in the area are very low. In order to provide affordable housing, more housing stock must be developed.

## Background

TBDSSAB appreciates the significant increase in the Homeless Prevention Program funding allocation from Ontario. Much of that increase will be used to develop transitional housing that will take the pressure off the emergency shelter system and to house those living unsheltered. This will provide the time people need to heal in a caring environment to become ready to then live more independently.

TBDSSAB also recognizes the investments made through the Social Services Relief Fund, much of which was used by TBDSSAB to fund improvements to shelters and to develop new transitional housing units. The recent investment under the Canada

Ontario Community Housing Initiative to fund a new 14 unit build in Thunder Bay is also very welcome.

What is still required in the District of Thunder Bay, however, is more capital funding for new community housing and more funding for portable housing benefits.

TBDSSAB acknowledges that all orders of government, including the Government of Ontario have a role to play in ensuring that Community Housing stock is adequate to meet demand.

OPHI offers a number of program components to service managers to improve supply and access to affordable housing including Rental Housing, Homeownership, Ontario Renovates, Rental Assistance, and Housing Support Services.

In the 2023-2024 fiscal year, TBDSSAB received \$781,375 in OPHI capital funding and allocated it to Ontario Renovates. The amount TBDSSAB has been allotted has steadily decreased since the peak in 2018-2019.

Fiscal Year	Funding	Component Group Used	% Annual Change
2017-2018	\$ 1,059,360.00	Social Infrastructure Fund – Rental Housing	
2018-2019	\$ 1,999,781.00	Investment in Affordable Housing – Rental Housing	88.8%
2019-2020	\$ 750,000.00	Rental Housing	-62.5%
2020-2021	\$ 609,045.00	Ontario Renovates	-18.8%
2021-2022	\$ 1,373,630.00	Ontario Renovates	125.5%
2022-2023	\$ 864,405.00	Ontario Renovates	-37.1%
2023-2024	\$ 781,375.00	Ontario Renovates	-9.6%
2024-2025	\$ 753,920.00	Rental Housing	-3.5%

Currently, the planned use for the 2024-2025 Year 6 funding is for Rental Housing builds.

While Ontario Renovates can keep some people in core housing need housed, 438 people active on the TBDSSAB Community Housing waitlist at the end of October reported experiencing homelessness or living in a temporary situation at time of application. This amounts to 34% of the people on the waitlist that do not currently

rent or own a residence and cannot be assisted with housing allowances, portable benefits, or Ontario Renovates funds. The current general vacancy rate for the District of Thunder Bay is extremely low: 1.8% for the City of Thunder Bay based on CMHC's 2022 data.<sup>1</sup> All indications point to the rental vacancy rate dropping lower since that time.<sup>2</sup>

As there is a lack of permanent rental housing options available in the District of Thunder Bay, to provide affordable housing for the individuals on the Community Housing waitlist that do not currently reside in a unit, developing more housing stock is necessary, and TBDSSAB is committed to building more community housing.

Current estimates for new apartment building construction in the District of Thunder Bay are around \$500 to \$600 per square foot for modest singles units,<sup>3</sup> depending on the municipality. This cost may increase in the municipalities outside of the City of Thunder Bay due to higher labour and building material costs. The 2024-2025 OPHI funding allotment would allow TBDSSAB to build only 3 one-bedroom units at this cost per square foot.<sup>4</sup> In order to address the 438-unit shortfall in the District of Thunder Bay, the TBDSSAB would require approximately \$127,750,000. The TBDSSAB requests that the Province of Ontario, with the government of Canada, assists with 50% of this need over the next ten years by allocating \$6,387,500 per year through OPHI to the TBDSSAB.

Therefore, TBDSSAB requests that MMAH increase the TBDSSAB OPHI allocation to \$6,387,500 per year for ten years to allow for the creation of new Community Housing stock to address the current shortfall of units in the District of Thunder Bay.

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<sup>1</sup> CMHC. Housing Market Information Portal. <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/Table?TableId=2.1.31.2&GeographyId=35&GeographyTypeId=2&DisplayAs=Table&GeographyName=Ontario#TableMapChart/2240/3/Thunder%20Bay>

<sup>2</sup> Rental Market Survey is distributed in October – 2023 data forthcoming.

<sup>3</sup> From Homelessness Prevention Program Capital Project Submission – OAHSS project and Bertrand new build estimates

<sup>4</sup> Takes into account the 75% pro-rated share OPHI Rental Housing component will fund