

Housing Terms, Definitions, and Key Messages

Affordable Housing – Do you know what it is?

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Affordable housing is when shelter costs, including things like rent or a mortgage payment, realty taxes and utilities, do not exceed 30% of gross household income, for anyone.

It doesn't matter if you earn \$20,000 a year or \$200,000 a year. It's still 30% so that there are enough dollars left at the end of the month for food, healthcare, activities, clothes and all the other expenses of life. People often confuse shelters with transitional housing and, supportive or social housing with affordable housing. Adding to the confusion, people talk about attainable housing, however there are many different descriptions of this and no universal definition.

A healthy and sustainable community includes many forms of housing and tenures that meet the needs of residents who may move around within the continuum throughout their lives.



Emergency shelters and systems are temporary accommodation for individuals and families who are experiencing homelessness.

Transitional Housing with supports or supportive services are generally a form of housing to bridge the needs of specific client groups prior to other housing accommodations with or without support services.

Supportive or social housing is an umbrella term that includes many different models of housing with support services that enables a person to live in the community with dignity and quality of life. Supportive housing brings together three components: a housing unit, a rent subsidy, and support

services of an intensity geared to an individual's needs.

Did You Know: Renters earn on average, 50% of what homeowners earn.

Affordable Housing is considered "affordable" if it costs less than 30% of a household's before-tax income. Shelter costs would include rent or mortgage, taxes and utilities. Many people think the term "affordable housing" refers only to rental housing that is subsidized by the government. In reality, it's a very broad term that can include housing provided by the private, public and non-profit sectors. It also includes all forms of housing tenure: rental, ownership and co-operative ownership, as well as temporary and permanent housing.

Attainable Housing: Definitions of "attainable housing" continue to evolve. In our area, the Town of the Blue Mountains created a [program](#) to support rental and housing ownership within reach of moderate-income households in the community. And other municipalities sometimes use the word interchangeably with "affordable" housing as does the [Rural Municipalities Association](#). Others such as the [Muskoka Housing Task Force](#) encompass many elements of housing suitability in the definition of "attainability" such as: **Adequate** in condition **Appropriate** in size **Affordable** (costing less than 30% of before-tax income) **Accessible** to Services and **Available** (a range of housing types). The Ontario

Government's [Build More Homes Faster Act](#) refers to attainability with regard to the cost of home purchases.

Market Housing: Housing priced at the full market rate to buy or rent.

Why it Matters

Negative impacts that can be contributed to the lack of affordable, safe and secure housing in a community leads to:

- Homelessness, encampments
- Physical and mental health impacts
- Sacrifices in the quality of one's diet;
- Sacrifices in care for health, vision and dental issues;
- Households forced to work extra hours to cover housing costs
- Sharing of housing leading to overcrowded living conditions.
- Households that move frequently due to high housing costs can be challenged to maintain social networks and take advantage of employment opportunities. Children in such households are particularly vulnerable to stress, health problems, and educational disadvantages that ultimately perpetuate the poverty cycle.
- Housing instability can jeopardize children's performance and success in school, leading to lasting achievement gaps, while a stable environment contributes to improved educational outcomes
- Residents with high housing costs will have less discretionary money to spend on goods and services. That means less money being spent on local businesses and less opportunity for business growth.
- Loss of labour force and inability to attract new labour force
- Loss of businesses due to high rents and labour force costs



Positive impacts that can be attributed to adequate of affordable, safe and secure housing in a community leads to:

- Improves and supports community wellbeing and vibrancy
- It reduces the incidence of homelessness
- It creates housing stability which in turn improves education access and outcomes
- It improves health, reducing strain on health and social services
- It supports population diversity and equality.
- It reduces crime rates and food insecurity.
- It improves economic sustainability through labour force stability and productiveness and contributes to increased consumer spending.
- Having enough money after providing for basic needs may mean someone can attend a concert, buy a piece of art, shop in a local store or go out for dinner.

Defining the Housing Continuum

Note: see *Regional Affordable Housing Task Force Report for what this means for magnitude of the issue*

<https://tisgb.com/wp-content/uploads/2022/05/FINAL-Regional-report.May-23.pdf>

The traditional image of the Housing Continuum shows a linear progression toward market rate home ownership; however, we now understand that approach does not recognize socio-economic, demographic or free market realities, nor does it promote equity and inclusion.

THE HOUSING CONTINUUM



A healthy community includes many forms of housing and tenures that meet the needs of residents who may move around within the continuum throughout their lives and a wheelhouse model more

accurately reflects that reality.

Affordable Housing Key Messages

1. Intensification and adding supply do not in themselves create affordable housing unless there are policies tied to affordability and increased supply.
2. The most urgent need is for rental housing.
3. Renters on average, earn 50% of what homeowners do.
4. We are losing far more Affordable Housing units than we can create due to sales, vacancy decontrol, redevelopment and gentrification.
5. Affordable housing is not social housing. Complete communities have housing for all, which is based on households not spending more than 30% of gross household income on shelter costs.
6. Municipalities are an important stakeholder. Counties currently deal with supportive/social housing, but municipalities have tools that could and should be used to facilitate the creation of housing that is affordable to its residents.
7. **Housing for all** is a critical component of a sustainable community future. If we can't house people, there are consequences.