



Co-operative Housing Federation of Canada
Fédération de l'habitation coopérative du Canada

December 16, 2020

York Regional Council
17250 Yonge Street
Newmarket, ON L3Y 4W5

Dear Council:

Re: Recommendations for the End of Community Housing Mortgages

The Co-operative Housing Federation of Canada (CHF Canada) is the national organization representing Canada's non-profit housing co-ops. In the Regional Municipality of York, we represent 20 non-profit housing co-ops, home to over 1,500 households in the communities of Aurora, Jackson's Point, Keswick, Markham, Newmarket, Richmond Hill and Thornhill. Our members are a mix of federal housing co-ops that have a direct relationship with Canada Mortgage and Housing Corporation (CMHC), and HSA housing co-operatives that are administered by York Region.

As we mentioned in our letter to Council on December 2, 2020, we are very concerned about the recommendations to Council included in Service Manager End of Mortgage Position Paper and the process that has been undertaken to adopt these recommendations. We greatly appreciate the action of Council to adapt the original recommendations so that any savings after providers have paid off their mortgages remain in the housing and homelessness sector, as well as allocating up to 40 percent of the mortgage savings for the capital repairs of all affected housing providers. However, this change does not fix the fundamental problem with the approach to the funding model in the recommendations. If York Region moves forward with this approach, housing providers will not be viable without continuous grants for capital repairs from government.

As a number of council members highlighted at the Committee of the Whole meeting on December 3, 2020, the end of mortgage is a once in a lifetime opportunity for affordable housing in Ontario. We could not agree more. That is why it is so important that York Region, as a leader in affordable housing in Ontario, should not rush through these recommendations without proper consultation with the housing providers in your community that are directly impacted by this decision and other housing stakeholders.



Over four years ago CHF Canada began studying the financial impact of the end of mortgage on HSA housing co-ops. Our models showed that if the municipality takes the mortgage savings from the housing provider, the unfunded capital repairs would threaten the viability of every co-op provider included in the study.

This would mean that housing providers would be continually dependent on grants from the Region to meet building needs and repairs. Instead of creating a non-profit and co-operative sector that can operate efficiently and proactively plan long-term, the Region would be recreating some of the least successful funding models for government housing. This model would lead to an excess of administration costs for the provider and the Region, a poor state of repair for households, and potentially diminish the housing providers' ability to obtain private financing. Consequently, these actions would create a greater dependency and increase costs to the municipality.

This is opposite to our shared goals to build a stronger, more sustainable community housing sector.

CHF Canada wants to work in partnership with York Region. While the recommendations in the report are directed at the province, the assumptions made have a significant impact on the housing providers, including co-ops, in your region.

We are requesting that the Region pause these recommendations and have staff consult with the community-housing providers directly impacted. This will ensure that their perspectives and insights are given fair consideration. Similarly, staff should consult with the wider affordable housing sector to ensure that they are not unintentionally recreating the problems that have plagued Ontario's housing system for decades.

Together, we believe that we can protect these community assets for the future and provide value for York Region tax payers.

We hope we will be able to work further with staff and council on these issues, so that we can protect the community housing we have all worked so hard to build.

Yours sincerely,

Tim Ross
Executive Director