## We Need to Talk About Social Housing for Seniors

SEPTEMBER 26, 2023 Written by: Lynne Fernandez



Although the housing crisis is increasingly becoming a federal political issue, it is getting very little attention in our provincial election. The Right to Housing (R2H) Coalition's recent <u>report</u> explains the need for the provincial government to increase its role in the provision of social housing, defined as non-market housing where rents are no more than 30% of household income, or at social assistance rates where applicable. The private sector cannot and will not provide such housing as there is no profit to be made in below market-rent housing. This reality affects people of all ages, including seniors, and the newly formed Seniors Working Group for the Right to Housing Coalition (R2H) has taken up the call to advocate for seniors housing.

A portion of seniors rely solely on Old Age Security and the Guaranteed Annual Income, and find it very difficult to find affordable, decent housing. The maximum monthly amount a single senior 65-74 years old can receive is \$1742; a single senior over 75, \$1812. According to a 2021 Statistics Canada Report in 2018, 42% of Canadian seniors who rent a non-subsidized home faced a higher rate of unaffordability than did the total population (26%). This problem will only get worse as the overall demand for social-housing units increases and supply decreases. R2H reports that the vacancy rate for affordable rental units for families earning less than \$27K is less than 3 percent.

Free Press readers will have <u>learned</u> about the sale of the non-profit seniors housing complex previously known as Lions Place, to a private Real Estate Investment Trust (REIT), Mainstreet Equity

Corporation. When the impending sale became known, residents and social-housing advocates urged the province to intervene and keep the building in the non-profit sector. Despite Lions Housing Centres paying lower interest rates through a Canadian Mortgage and Housing Corporation mortgage and receiving decades of federal subsidies allowing social-housing rental rates, the province refused to either buy the building itself, or work with the federal government and non-profit housing sector to counter the private-sector bid. Instead it paid \$1.2M to the new owners who, in return, froze rents for two years. Tenants moving in after Feb 15 2023 will not benefit from the rent freeze.

Two concerns arise from how this sale has played out: low-income residents do not know how much their rent will increase in two years when the freeze ends, and Manitoba lost another 287 units of social housing, exacerbating the social-housing crisis. It didn't have to end this way.

The Seniors Working Group agreed upon three demands which were sent in July to the Premier and other political parties:

- 1. Pass legislation to prevent the sale to private interests of non-profit seniors housing that has received public funding. Such protection would ensure that non-market rental units are sheltered from the rapacious appetite of REITs that have transformed seniors' homes to an investor asset class whose main goal is to deliver a high rate of profit.
- 2. Provide the resources necessary to maintain existing and new non-profit seniors housing, including effective management, physical upkeep and operating costs. Adequate staffing and supportive programing are necessary.
- 3. Increase the supply of publicly-owned and non-profit rent-geared-to-income housing units by 1000 annually over 10 years, with 30 percent dedicated to the full range of seniors housing, including independent living to personal care.

Meeting these three demands would stem the uncertainty and stress low-income seniors face. For example, one resident at the Mainstreet Equity Corporation property was previously uprooted when the Manitoba Housing property at 185 Smith Street was sold by the province to a private company. Rent for a studio apartment (380 square feet) is now between \$1,185 to \$1,205, and a one bedroom (440 square feet) starts at \$1,610, far out of reach for even those who qualify for provincial rent subsidies. Once the two-year rent freeze is over at the Mainstreet property, this senior could be facing another difficult search in an increasingly unaffordable rental market.

The housing crisis should be high on the list of election topics. Join the Right to Housing's Senior Working Group for a public forum on seniors housing on September 26, at the Old Grace Housing Co-op: 200 Arlington Street, starting at 7 p.m. After a panel discussion, politicians will be invited to respond to our three demands.

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