

HANSARD

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COMMITTEE

ON

COMMUNITY SERVICES

Tuesday, January 6, 2015

Legislative Committees Office

Housing Nova Scotia

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COMMUNITY SERVICES COMMITTEE

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Mr. Stephen Gough
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Ms. Joyce Treen
Mr. Eddie Orrell
Mr. Larry Harrison
Hon. Denise Peterson-Rafuse
Hon. Gordie Gosse

In Attendance:

Ms. Kim Langille
Legislative Committee Clerk

WITNESS

Housing Nova Scotia

Mr. Dan Troke,
President and CEO

Mr. Ed Lake,
Director - Properties and Facilities

Mr. Neil MacDonald,
Director - Housing Services



House of Assembly
Nova Scotia

HALIFAX, TUESDAY, JANUARY 6, 2015

STANDING COMMITTEE ON COMMUNITY SERVICES

1:00 P.M.

CHAIRMAN
Ms. Patricia Arab

MADAM CHAIRMAN: I'd like to call this meeting to order. This is the Standing Committee on Community Services. My name is Patricia Arab and I am the MLA for Fairview-Clayton Park and the chairman of this committee.

Today we're going to be receiving a presentation regarding Housing Nova Scotia. I'd like to start by reminding committee members and those of us who are watching the committee to please put their phones on silent or vibrate. These meetings are recorded so any back chatter makes it difficult for our friends at Hansard to transcribe properly.

If I could get the committee members to introduce themselves, starting with Mr. Maguire.

[The committee members introduced themselves.]

MADAM CHAIRMAN: Thank you. I'd like to remind the members and the witnesses that this is structured so that all questions and all responses are to be directed through the Chair, so if you both could wait until you are recognized. That's in order to maintain some organization for the meeting but also again for the purpose of Hansard, so that our transcribers will know exactly who is speaking and posing answers.

I'd like to welcome you all and I would ask you to introduce yourselves and we can start with Mr. Troke.

[The witnesses introduced themselves.]

MADAM CHAIRMAN: That's wonderful. Thanks very much for joining us and whenever you are ready we will allow you to bring forward your presentation.

MR. DAN TROKE: I'm just going to have a couple of opening remarks here today and then I think it's at that point that we'll go right into questions. Madam Chairman, we're very pleased to be here today to talk to you about the progress that has been achieved by Housing Nova Scotia since the release of the provincial Housing Strategy in 2013.

As the members of this committee know, the strategy set a new course for the delivery of housing services in Nova Scotia, one that makes housing both available and affordable. As a direct result of the strategy, Housing Nova Scotia was created in August of 2013. It was formerly known as the Nova Scotia Housing Development Corporation and operated as a division within the Department of Community Services. At the same time, a CEO position was established to lead the implementation of the strategy and organizational transformation that has been underway and continues to move forward.

If I may, before I move too far forward with these comments, I'd also like to acknowledge and recognize the work of our previous CEO, Kevin Malloy. As many folks here probably know, Kevin has just retired on December 31st and he is actually going to be doing some work with the Municipality of Lunenburg. We want to thank Kevin for all his years of service and his leadership over the last year as we move forward with some of the work with Housing Nova Scotia.

Madam Chairman, a key milestone was achieved when the minister appointed our first Advisory Committee for Housing Nova Scotia. This committee is made up of members from public housing tenants, private and non-profit sector, academics, and volunteers. The Advisory Committee allows for new and more participatory and collaborative relationships with tenants, community and our partners. As we continue the transformation of our organization, we have the unique opportunity to build a new, solid foundation - one that is rooted in the wisdom, insight, skills and experience that come from our communities and its members.

Madam Chairman, our name may have changed but our desire to help Nova Scotians find a home they can afford in a healthy, vibrant community remains the same. We take our mandate to help the most vulnerable people in our society very seriously, whether they are seniors, persons with disabilities, people on social assistance or suffering from addictions or have mental illness. We take it all very seriously.

Over the past year, we have completed a review of our priorities and operations and set out key strategic initiatives that will drive Housing Nova Scotia over the next five years. This year we intend to release a strategic plan - a blueprint, if you will - that will build on our success and provide guidance as we continue to implement the strategy.

At the heart of the strategic plan is our desire to achieve the best possible outcomes for our clients. Demonstrating that we are making a difference in people's lives can only be achieved by measuring our success using an outcome-oriented approach. Under the leadership of a Ministerial Advisory Committee, Housing Nova Scotia would develop a new accountability and performance framework that would demonstrate how we target, measure, manage and report back to the citizens our performance. We intend to revise and update a blueprint annually and report on our progress regularly.

While we have been busy planning for the future, Madam Chairman, our team has been focused on certain pressing issues; for example, the day-to-day activities in looking after the 18,000 people who call our housing their home. This is our top priority.

Building on the previous investments from economic stimulus, several projects are currently underway to help improve the quality of our subsidized housing. For example, government recently announced an investment of \$52 million to help increase access to more affordable housing throughout Nova Scotia. As part of the government's commitment, \$42 million will be taken from the deferred federal contribution which was made available to the province. This investment is key to our plan to ensure health and safety for all the tenants.

Another \$8 million will help improve nine senior housing properties benefiting hundreds of seniors. These upgrades include window replacement, plumbing, elevator upgrades, exterior and interior work, sprinklers and so on.

We are also using money to provide more access to affordable housing in the private rental market as well. Working in partnership with property owners, there will be an investment of \$9 million in rent supplements that will have an immediate impact on the people currently on our wait-list for subsidized housing.

One of the key pillars of the Housing Strategy was fostering healthy, vibrant and diverse communities, and by supporting the mix of income levels, housing types and tenure we are trying to achieve that goal. This is exactly what the Bloomfield Development of Halifax has set out to do. The project is on track to become a showcase development that will demonstrate the viability of a mixed income approach here in Nova Scotia.

As part of the agreement with HRM, Housing Nova Scotia is undertaking many months of public consultation to ensure we've captured what citizens want to see on this site. A core team of residents, business owners and volunteers have been actively listening and reporting back to our design team what is important for those individuals who will soon call this place home.

Bloomfield will be built in phases. We will begin by building Phase I of a three-phase mixed-income, mixed-use development. In total, the property will have nearly 500

homeowners ranging from townhouses to high rises and no less than 40 per cent of these homes will be affordably priced. All units are targeted towards homeownership.

In November, Housing Nova Scotia along with CMHC and Habitat for Humanity held an affordable homeownership conference. We heard from all the organizations in attendance that there are many positive outcomes associated with owning your own home. Housing Nova Scotia can play a role in making that dream come true for many Nova Scotians.

To illustrate another example of how we're bringing the Housing Strategy to life, a partnership with the Nova Scotia Home Builders Association is something that we're busy planning and working for in Cole Harbour. The project will showcase smaller but well-designed townhouses. We're very excited about this approach and we hope that other private developers will take notice.

I would like to briefly mention another housing development in the Town of Truro, which we call a spruce-up program, which is helping to revitalize a neighbourhood near the former Alice Street School. The project is demonstrating both to residents and neighbouring communities the kind of impact that safe, affordable homes, as well as vibrant communities, can have.

The Provincial Housing Strategy called for a new way of doing business and Housing Nova Scotia is delivering on that promise. Over this past year we have strengthened relationships with long-time partners and continue to form new partnerships.

Along with the federal government, Halifax Regional Municipality, the United Way of Halifax and other groups have created the Housing and Homelessness Partnership. Each member brings a wealth of knowledge, expertise and experience, and by pooling our resources, I believe we will be in a better position to tackle the issue of affordable housing and homelessness in our capital city.

This kind of partnership may very well be replicated in other communities across the province. Over the past few months, we have increased our level of engagement with municipalities and non-profit housing groups to see how we can best work together to find local solutions to local issues.

In closing, I would like to take this opportunity to thank the staff from housing authorities, our housing services and from those who work out of our head offices. Despite going through a lot of change in the last couple of years, we have never lost focus, which is to achieve the best outcomes possible for the people we serve. I am proud of our team and the work that we have accomplished over the past year. I know there is a lot more work to do, but I am confident that as we start the new year, Housing Nova Scotia is in a good position to open those possibilities. Thank you for the opportunity, and we are happy to take questions from the committee.

MADAM CHAIRMAN: Thank you, Mr. Troke. Is there anyone else on the panel who would like to speak before we open it up to Q&A? Just before we start with our first questions, I would also like to welcome Mr. Stephan Richard who is the Director of Community Relations and Public Affairs for Housing Nova Scotia, and any other staff members who are from Housing Nova Scotia with us today as well.

Questions - we'll start with Ms. Peterson-Rafuse.

HON. DENISE PETERSON-RAFUSE: I'm sure they knew I was going to put my hand up first. I would like to start with acknowledging and recognizing the staff in Housing Nova Scotia; I had the honour to work with many of you. I will say on the record, Nova Scotians are very fortunate to have each and every one of you - including Stephan - and congratulations, Dan, on becoming the CEO. We are in very good hands.

I'd like to start by asking about the deferred contributions, the \$60 million. As you are aware, the first couple of years - I think it was 2009-10 - that we received stimulus funding from the federal government, the game plan at that time was to utilize every cent available to us. That deferred funding was earmarked for the Housing Strategy because the next steps - after getting all the work done, in terms of fixing up the public housing and doing some new builds - was to create the strategy, travelling around the province, as we did and do that announcement in August 2013, along with changing that corporation's name and the mandate.

You had mentioned, Dan, about the \$52 million announcement - I was trying to keep up with the other figures you were throwing out there. Does it mean that you're utilizing those dollars to the tune of \$52 million? If so, are the other millions earmarked for another project or where is that going?

MR. TROKE: With regard to the deferred federal contribution, for greater clarity on the record - I know you're very close to the subject having been in your position. Any funding received from Ottawa with regard to our social housing agreement, the federal money that comes in any given year might not be utilized if, for example, in that year a higher provincial contribution were used. There was actually a provision within the social housing agreement that allowed us to set that aside for future use. That's effectively how the deferred federal contribution was built over many, many years.

The provision is that it has to be specifically used toward targeted programs within our social housing agreement. Public housing is actually a targeted program within our social housing agreement, as would be rent supplement, rural Native housing, and so on.

With regard to the question itself, there is \$42 million of the deferred federal contribution that has been specifically targeted towards upgrades on social housing with regard to rent supplement and so on. There's another \$10 million that has been added to the budget of our housing authorities for work that is part of our increase to our capital and

asset maintenance plans that we do. So there is a small amount of money that is still within the deferred federal contribution that is for consideration on projects.

I would also like to say that your comment around the economic stimuli during that time period, you're right in that we weren't allowed to use other funds, other than economic stimuli, during that brief two-year window. During that time period there was a very specific matching that went on between the province and the federal government that was outside of the social housing agreement but the two couldn't coincide, if you will, at that moment in time, so \$42 million of the deferred federal contribution will be utilized through the work that's going on and there's an additional \$10 million of investments that have been made in the housing authority budgets themselves that leaves a small amount of money in the deferred plan that is still for consideration.

MS. PETERSON-RAFUSE: Wonderful, thank you.

MADAM CHAIRMAN: Ms. Peterson-Rafuse, do you have a follow-up?

MS. PETERSON-RAFUSE: Well yes, I wouldn't mind asking - can it be on a little bit different subject or do you want me to ask on the same?

MADAM CHAIRMAN: If you could ask on the same subject or we can just put you back on the speakers list.

MS. PETERSON-RAFUSE: You can put me back on the list. Thank you.

MADAM CHAIRMAN: Mr. Orrell.

MR. EDDIE ORRELL: Thank you for your presentation, gentlemen. I guess I have a couple of different questions and I'm trying to figure out how some of the programs are going to work. Of the \$52 million, you talked about \$42 million from the federal government is now going to be used for programs and upgrades, I think you said that \$9 million is going to be available for rental supplements. My impression of that is that if I live in an apartment that's \$700 and I get \$500 from Community Services for my rent, that that will be upgraded so that the rentee gets the \$200 directly from the program into that.

How much of that \$9 million do you expect will be used immediately or will people be allowed to upgrade their apartment, I guess, to another - if they're in one now that's of less value or lesser quality, can they upgrade and will that be something that might be possible through this program?

MR. TROKE: First of all, you're right, the Rent Supplement Program is a program that is targeted at low-income individuals. We are actually targeting specific individuals who are on our wait-list looking to find affordable housing. Effectively it is a three-way arrangement between the tenant, the landlord and the local housing authority. The landlord

would receive payment from the tenant for their portion and the housing authority would gap-fill the difference.

What we actually did is a little bit different in that - now it has been done sometimes in the past or more historically, but we actually did a call for proposal from landlords, looking for landlords to come forward with units. We were really hoping that this call would be about demonstrating value, so if we essentially had a number of landlords from similar communities coming forward, we would have a really good sense on those who are looking at providing really good bang for the buck, if you will.

So the call for proposals ended in late November. We had an incredibly good response. We had a lot of landlords respond in some cases with a few units and in some cases with 100 units. So that call for proposals, what we've done is we've sent those available units out to the housing authorities to look to match them with the folks on the wait-list who are waiting.

What we would anticipate is - or the way that I would see this rolling out - with Christmas in the middle of this, my anticipation is that many folks will start viewing their units - that will be going on now as we speak. As that flows through, of course we inspect the units to make sure that they meet certain requirements and negotiate an arrangement. That would be where the bulk of the individuals for those rent supplements would come from.

To the second part of your question, we actually have within our housing services team - this is our regional folks who deliver our home repair grants - we actually have programs to fix up and upgrade apartment buildings. There is a Residential Rehabilitation Program we cost-share with CMHC that actually allows for rental units to be upgraded and the rent increase effectively is not passed on to the tenants. So the cost to do those upgrades are incurred by the program and there is a guarantee that is actually attached that makes sure that the rent remains the same for a period of time and those units get fixed up.

Each year through these types of programs, we generally do between 100 and 200 apartment units across the province. It has been a very successful program. Typically what you would see is landlords would come forward with a block of units they'd be looking to upgrade. It's something that has been around for quite some time. It's kind of separate from the Rent Supplement Program, but a good way if you have a landlord who is interested in doing some upgrades and effectively getting those upgrades into the unit without that rental increase being passed on to the tenant.

MR. ORRELL: How many people do you project this will eliminate from your wait-list? I think there is something like 2,000 people across the province on a waiting list for affordable housing. With these programs, how many people do you think that would help? The second part of that is, once that \$9 million is used over the next year or so, where

do you project the rest of the money to continue that program will come from or is that something that has been a commitment already made?

MR. TROKE: First, what we would anticipate is, we're looking to roll out about 300 new rent supplements. The commitment we make when we do that is to guarantee that the money would be available for a 10-year period so that if someone came into a rent supplement and needed it for two to three years, when they're done with that rent supplement, it would then roll to another person who would be on the list.

It actually creates, if you will, a guarantee of 300 new units that, while it will immediately impact people who are on the wait-list, future folks down the road will then have access to those units as individual circumstances change. What effectively you're doing is guaranteeing that there would be 300 units available through rent supplement for at least a 10-year period.

I guess really the piece that we built on is we have hundreds of rent supplements out there that have been functioning through different programs, so this is really enhancing even the number that are out there, but trying to do this a little bit more strategically too where our biggest demand are those folks who are waiting today to be able to get them off the list. It's much quicker than going down the road of kind of trying to tie into a development. These are apartments that already exist so a little bit faster process for moving forward.

MADAM CHAIRMAN: Mr. Maguire.

MR. BRENDAN MAGUIRE: Can you help me understand the \$52 million? My question is, why was the money set aside when we have 2,000 people waiting to get into public housing? Everybody around this table knows that there is a backlog of repairs that need to be done in housing so why was this money put aside and not spent, and why is it being spent now? How do these decisions happen?

MR. TROKE: The deferred federal contribution actually was a provision that started in the 1997 social housing agreement, so it's something that every province has. Many provinces have utilized these provisions for short periods of time and some for longer. Typically what would happen is, as you mentioned, you would have a series of capital repairs that would go forward as part of a budget process and those will get considered within the envelope that you have. Part of that consideration would be, are there other programs that would come along - economic stimulus was referenced earlier - are there plans that this money is something that is seen more to be used later in the agreement - the social housing agreement goes to 2034 - so was it something that was envisioned as more of a back-end approach as to a front-end approach on these? Those are always part of the conversations that happen in a budget context.

While I can't speak specifically to what any one of the governments of the day would be their decision on why they would or wouldn't have used it, that's how the conversation would have occurred.

With regard to the work, obviously our minister came to the Department of Community Services and then the minister responsible for housing, with a mandate to look at utilizing those funds to upgrade not only the units we have, but what are some ways in which we might creatively look to help as many people on our wait-list as possible move forward. That was part of the mandate, if you will, that our minister came with and looked at. These potential opportunities were brought forward and subsequently the commitments have been made to make sure that the investments are made in a timely way.

The processes that brought us to here though really were any decisions made around what would or wouldn't be done are typically involved with the budget process. This was a little bit delinked this time in that it was seen as a very specific initiative outside of our regular budget process and with the number of challenges and particularly the age of the stock that we had, it was something that was seen as a real opportunity to make some investments and made some impact today.

MADAM CHAIRMAN: Mr. Maguire, a follow-up?

MR. MAGUIRE: Yes, and I'll be quick. You're the new CEO - and by the way, congratulations - but does it make sense to you to sit on the money when we know that we have leaky roofs, broken windows, door frames that are busted. I've got a large public housing in my riding - a few of us around here do - and we see the state of some of these places so I just can't wrap my mind around why we sit on this money when the longer these houses sit in this kind of state, the more expensive it's going to be to repair. If you have a leaky roof, that's usually the least of your worries if it's raining. So does it make sense to not use the money? I know you're saying to maybe save it for the back end but if we're thinking long-term here, you fix a roof so that the walls don't rot.

MR. TROKE: Each year I guess our objective with Housing Nova Scotia is to make sure we bring forward as strong a case with regard to the repairs needed on the units we have. We regularly look at if there are more investments needed from the perspective of additional units and through various programs. We also look at not just the bigger projects but we also look at some of the smaller duplexes, single-family homes we have and we maintain, if you will, an overall plan on what the life cycle is for things that need to be repaired, the most immediate and pressing things. That's brought forward as a budget consideration.

From a perspective of the civil service, our objective is to make sure that government has an understanding of what condition the stock is in and what are the things that are needed to move forward with making the repairs that are there. As part of that planning process we bring forward what our recommendations are.

The decision then with regard to what investments have really falls within a budget planning process and it's really the purview of the government to make the decisions around that. Like I said, this is something that has existed across the country and sometimes in a year or two cycles, or in some cases longer cycles. Here in Nova Scotia, it has been a pool that has built over a period of time and each year as we bring our capital requests forward, typically it's treated within that budget cycle. As I said, this was a little unique in the last year that we've kind of pulled it outside of the budget cycle to look at what the most specific things are on their own, on a stand-alone basis. That was the approach that was taken, and then the government making their decisions to make these investments.

MADAM CHAIRMAN: Mr. Gosse.

HON. GORDIE GOSSE: Congratulations, Dan, good to see you. You've done a lot of work over the years on housing in the province and should be congratulated. My question is, when I look at this and I look at the handout that was given, I wanted to know if there has been any changes in the household income limits for seniors or families for one bedrooms, two bedrooms and three bedrooms in the province? You couldn't put all the money in, but can we push the limits for more people to qualify and get the grants? You know what I mean by household income limit - HILs. Has there been an increase in the HILs, and if so, can I have a copy?

MR. TROKE: It's good see the member as well; we've had lots of conversations on housing over the years. The household income limits get reviewed annually. The household income limits come from Canada Mortgage and Housing Corporation so once a year they get revised based on Stats Canada data, rental data and so on, so they are revised annually.

The programs that are cost shared with CMHC are instantly updated - social housing and all those things - and then we update the provincial programs as well annually through memos to Executive Council. Happy to get you a copy of the current limits and yes, they are reviewed annually.

I think the biggest thing here is that we have a number of people - particularly with the current investments we were talking about here - on our wait-lists already within the existing thresholds. These are folks who are simply looking for one, two and three bedroom accommodation. This money is very much targeted at those who have already qualified on our lists with existing thresholds.

I would say, I'm sure you're well aware that also additional investments were made this year in the senior repair programs as well, so another \$1.5 million outside of the money we just talked about was invested to help more individuals get repairs on their homes. That program has been around for a substantial period of time. What seems to be of real interest where this is a completely forgivable grant in the Senior Citizens Assistance Program - a lot of seniors who need a new furnace, need the roof repaired or whatnot - it's kind of that

item where an individual who comes through the door gets that done. Consecutively, year over year over year, we've been helping 2,200 to 2,300 people get their homes upgraded. Those numbers continue to grow as we make more investments into the program.

We'll get you a copy of the HILs. I know a lot of folks come through your door looking to see if they can get help with the home repair grants and we'll be happy to get the information to you on that.

MADAM CHAIRMAN: A follow-up, Mr. Gosse?

MR. GOSSE: The other follow-up is, I noticed in your presentation you talked about Cole Harbour, Truro, and I saw the news recently in Dartmouth - I think it was Dartmouth East - they made an announcement for a housing initiative in that riding. I didn't hear anything about any new housing initiatives in Cape Breton. I was just wondering, is there anything earmarked for Cape Breton for this year? Any part of the island at all, I'll be happy. (Laughter)

MR. TROKE: Part of the capital work with regard to the investments in our social housing is absolutely going to be happening throughout the entire province. As always, we have ongoing conversations with the private and non-profit sectors around projects. As you're aware, historically what we do is we receive unsolicited proposals to try to start working with someone to see if what they're trying to do fits with the plans that we have.

While at this moment I don't have a specific project that's ready to make that last leap across the threshold, what we do have - and as I know you would encourage any of the folks that are coming forward looking to do new developments or actually even to look at doing conversions on existing buildings so a change of use from a retail space to a residential space for commercial to residential - these are things that have gained more popularity in some of the smaller towns.

We receive these proposals, we get them every week. What we do is we work with our proponents until they are ready to cross the threshold. Sometimes that takes a couple of months, sometimes that might take a couple of years. As we have new proposals coming through that are getting closer to success, we obviously will be letting all the folks around this table and those sitting in the House know where we will be going and what projects we will be doing.

MADAM CHAIRMAN: Just because we missed seeing you, Mr. Gosse, we'll give you another little one.

MR. GOSSE: No, that's perfectly good. They built beautiful units in Cape Breton, I must say. Those seniors' units that were built by the housing department, the one-level, barrier-free units were magnificent. There are 34 of them and it's like its own little community - one guy helps another senior put out their garbage, it's amazing to see that.

For years and years we always put housing in one area of, say, Gottingen Street or Whitney Pier, and it ghettoized the neighbourhood by putting all those units in there. My question is, working with landlords and private landlords - you know the problem we had with a private landlord in Cape Breton, when he took \$1.2 million to fix up 104 units and two weeks later sold them, so the rent those people were going to have for 10 years at that rate was gone.

Is there anything new built-in so that when you are dealing with landlords and they are going to repair these buildings, that we can prevent the landlords from doing this to further people on low incomes in this province?

MR. TROKE: Every investment we make, particularly with third parties, is secured with secondary mortgages and so on. In any instance where a landlord was to sell a unit or try to get equity out of a unit, they can't do so either without our consent or, in the case you reference, we actually receive the money back and we use that money then to help many of those individuals find other housing. Other investments were made actually in the same area with other landlords to do new developments and so on.

These projects, by being designed this way and having the security on them, have been very, very successful. We have had the odd instance where an individual has made a decision and their business decision is that they have now decided to do something different. I think the real key here is that any investments made from the province or any of its partners are always secured and we always make sure that we get those investments back. We make sure that then those investments would go back into those communities to make sure that more affordable housing is created.

We're always open to looking at other ways to secure those investments. We're also always looking at what is the right balance between something that government might build, the private sector might build or even a non-profit might build. What we have found is that a lot of those programs in Nova Scotia, about 25 per cent are the non-profit sector getting involved with them and the other 75 per cent tends to be the private sector or government taking the lead on them. They have been very successful in building - I think we're somewhere around 2,500 or 2,700 units that have been created under those programs, so since 2003 it's really kind of a staple of how we continue to add support.

Also with that is in instances where someone was to make a business decision that is alternative to the original contract, we have a mechanism to go back and make sure that we get that funding and make sure that funding goes back into that community after we're done.

MADAM CHAIRMAN: Mr. Harrison.

MR. LARRY HARRISON: Thank you, gentlemen, for coming, number one. Number two, I don't envy your job one little bit. Looking ahead is one thing to what can be done in the future in the different areas.

I just want to ask a question on back stuff. It is being shown by some of the audits that there's a lot of money owed to contractors who have done past work. I've talked to contractors in my own area and I did note to the extent that they get taken a good many times, they do with people. Could you shed any light on that particular issue?

MR. TROKE: Any time that a contractor, whether they're on a standing offer or are specifically brought in to do work for any one of our local housing authorities, the expectation is that there is a scope of work that is done and a price is given for that work. Once the work is completed, we receive a detailed invoice, so labour, materials, if there are specific markups on certain items. Those invoices then will be paid promptly when that information is available.

What we've had is - and you mentioned the term "audit" - we had a couple of cases where we were experiencing individuals who were not remitting invoices with all of the information on it. We've gone back to those individuals, and as per the terms of the agreement, these are our expectations when you're remitting. That information is provided and you get paid very promptly on that information.

So just like anybody else, if you were a homeowner and you had a contractor come in, you would expect to see an invoice with certain pieces of information on that. The contractors are aware of that and it's how we've been doing business. We've had a couple of instances where their remittances, if you will, have become a little more lax on the detail, so we're ensuring that the detail is there, both from an accountability perspective, but also making sure that what we're getting is good, fair market value for the work that's being done.

In any cases where a substantial amount of money is tied up, we will generally sit down with the contractor and pay a portion of those invoices to ensure from a cash-flow perspective they're not impacted. Then what happens is we make sure, as we're verifying the invoices, that effectively we are building up to that amount that has been paid, and then any outstanding invoice's clarity is sought.

So what I can say with great confidence is that if invoices are being remitted to our housing authorities with the details that we've always required on it, people are receiving prompt payment on that. If there is a delay, the contractors are made aware as to why the delay and given the opportunity to adjust that, and in fact, if there is going to be a delay because of the sheer volume - if we happen to get a couple hundred invoices at one time, we will normally pay a portion of those invoices to make sure cash flow of that contractor is not impacted. Then that individual has the opportunity to make sure that we receive the proper invoices and then they're paid.

We want to make sure, from a transparency perspective and from spending public money on government goods, that there's a very good paper trail of what's being done and that we're getting good value for money.

MR. HARRISON: The relationship between yourselves and contractors, to me, would be extremely important. A lot of work does need to be done on various areas on the housing and if the contractor is not happy with the way it's being done, they're not going to do the work and you've got a problem.

My question is, I guess, an audit was done in the Halifax regional office and I think one guy said it was \$450,000 in back stuff that he didn't get. So if the audit is done here in the Halifax area, will it be done in all of the other offices within the province?

MR. TROKE: The audit that you're referring to as a specific instance with a company that was on our standing offer, we just wanted to look at a series of invoices over a very long period of time to basically make sure that these invoices were being submitted and our own processes were in fact being followed.

We're audited regularly - actually, Housing Nova Scotia gets audited three times. We have an audit by our own Auditor General, we have an audit that's done by CMHC, and then we have an audit as a corporation. So I spend a lot of time with auditors. As part of that process, we also do audits within our housing authorities, so it's a sample of the work that we do. If that sample turns up something that warrants further investigation, we would then do a more detailed drill-down.

It's very true that we have some contractors who do an extensive amount of work for us and it would not be uncommon if they were on a standing offer to see a couple hundred thousand dollars-worth of invoices, and you would as part of a review look at all of those invoices - maybe for a year, maybe even two years. So yes, that number could be quite large.

At the same time, in some locations we have very small organizations - perhaps even individuals who are supplying service in a small community, and again, if we had something that came back that there was a question on an invoice, we may go in then and drill down on the specific invoices that we received from that individual. So it all depends on the circumstance.

In this case here, we had a larger group of invoices over a period of time that we're taking a look at and part of that was both from a perspective of making sure that all the information we had was correct and we can make the payments required, but also on our own side making sure that our own internal controls were in place and working properly, and just like anything else - can we be doing things better? Can we be making sure that we're being as efficient as possible when we're paying our bills but also making sure how we do business?

MADAM CHAIRMAN: Mr. Maguire.

MR. MAGUIRE: I just want to touch on Bloomfield. Are you using the same model as Regent Park and are you looking at the successes and the failures that have happened so far up there?

MR. TROKE: We certainly did. We spent a lot of time looking at a number of developments that have happened across Canada, Regent Park actually being a larger redevelopment of a large social housing complex or series of complexes.

One of the things that certainly we looked at is that in Regent Park the municipal government that runs social housing there really tied themselves closely to a developer and did not really have the capacity to drive the development themselves. They had to rely very heavily on the developer to drive the development.

In Nova Scotia, we're actually looking at Housing Nova Scotia kind of driving whether the partnerships or the development itself as having the capacity where we've built things before, we've sold things before, we have that capacity as something we can bring to it and not rely exclusively on a third party to do all that.

Certainly we've looked extensively at that model. The Regent Park model certainly demonstrates that units under 1,000 square feet can be very attractive to people who are looking to buy their first home, or even families looking to move closer to work, closer to services. We've looked at all those things, as well as our design team, as we've been moving through this.

We've also been closely working with a core team of individuals as part of our public consultation who have been going out to certain sectors - whether it's energy, whether it's environmental, whether it's actually the non-profit sector - and getting feedback very specifically from those organizations through people who are kind of there to listen to those organizations, so not just as a government agency going out and listening but let's actually talk to those organizations that are really part of that mix, to bring that feedback to us. So being a little less prescriptive, maybe that might have happened in the Regent Park model.

Ultimately at the end of the day, though, the one thing that we absolutely are looking at is this as being something that individuals will have an opportunity to acquire equity so they're going to own their units. As they acquire equity, that leaves them with choices, both a couple of years down the road and maybe later on in life.

Those are the good things from Regent Park and some of the other developments that have certainly happened but we're also very conscious of some of those other things that have happened over time where having maybe a more hands-on approach on the development, having more of a hands-on approach on how the non-profit partnership gets

developed, to make sure that over time it's something that's not just successful for the first year or two - that it's something that has success built into it over a longer period of time.

MR. MAGUIRE: One of the ways that they have determined who's going to live in Regent Park is through relocation, and in some of the high rises that were torn down, the people will be given a spot in the new area. How are we going to determine who lives in Bloomfield and if there is going to be relocation, are those families going to be given enough time? Also, you talk about home ownership - what is your department doing to prepare some of these potential people for home ownership? It's not easy to go from public housing to home ownership.

MR. TROKE: First I guess the unique place here is that we're not redeveloping an existing social housing project so we've kind of got a clean slate - 500 units, ultimately by the end of the day, I guess 478 is the total - is a large number so it's going to actually happen over a period of phases. To absorb all that in the market in one place would be quite a large undertaking. It's actually going to give us quite an opportunity to help folks make their way to Bloomfield, whether it's their first home or whether it's an upgrade to their home or whatnot. So timing actually is a very unique thing here that we're building into over a period of time.

MR. MAGUIRE: Are you picking people off the waiting list of 2,000 or are you going to be choosing people from Mulgrave Park, the pubs, Greystone, Cape Breton, wherever? Are you going to be determining if this is all new housing or people having an opportunity - because I'm sure there's going to be a lineup out the door to go to Bloomfield? Are the people who are already in public housing going to be given an opportunity to move there first?

MR. TROKE: There are a couple of things that will happen. Your first point is that there's obviously going to be a certain level of income needed to be able to make that step. So for those individuals who, as we work through the programs that would be offered, 40 per cent of the units in Bloomfield are going to be affordable opportunities, so 60 per cent of these units are simply going to be sold on the market for individuals who, through very traditional means, have a mechanism to find their way there because it is important for us to make sure that this is a mix of opportunities.

Second, to your other point, we are going to be working with people over a period of time to help them to be successful. We have a lot of experience in Nova Scotia with home ownership programs that have been rolled out as lease-to-own, have been rolled out as mortgage assistance programs, but we've also spent a great deal of time looking at what has worked well in other countries and not just kind of for short periods, but things that have been around for a substantial period of time. The worst case scenario would ever be to put somebody in something and find out five or 10 years down the road that it wasn't working. So you want to make sure that the flexibility exists.

I think what's also important is, if you think about what we're doing here, we have close partnerships with CMHC and Habitat for Humanity, and what we're kind of doing is filling a middle ground that doesn't exist between these two organizations. So there are going to be some individuals who are going to come to us and have conversations about their first home, and the right answer might be for them to be working with Habitat for Humanity for their first opportunity, or their first opportunity might be actually something that is a CMHC program.

Those are all things that are available and open. We've had conversations with both CMHC and Habitat for Humanity with regard to how Bloomfield will work. So I think it's about three organizations, if you will, working collectively as folks are presenting themselves as being capable of making that leap, taking the time over maybe a couple of years in some cases to make it work, finding the right agency that's going to work with them to help them be successful. At the end of the day, we want to make sure that we hit this out of the ballpark. This then demonstrates a very different way of doing business that opens the door to a lot of other places to do the same thing.

MADAM CHAIRMAN: Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: I want to ask a question with respect to the Housing Strategy. First, I do want to clarify for the record, as the former minister, that there was no sitting on deferred money and having leaky roofs and windows in the Province of Nova Scotia.

As I mentioned in my opening comments, we had a stimulus package that we had to focus on. After that, there was no magic wand that created Housing Nova Scotia, to take a corporation that was in existence for decades and switch it over to a new format, along with the Housing Strategy, the first one that was ever developed in the history of Nova Scotia. That took travelling around the province, partnerships, many meetings and discussions. During that period of time, those repairs were continuing, but it's like any strategy, there is no sense to create a strategy and let it sit in a filing cabinet. Those deferred dollars were earmarked for the strategy and the government of the day has the advantage of that brand new strategy that they're implementing, and they also have the advantage of the deferred money as part of their budgeting to do that.

I just want it for the record to put that finally to bed. There was a reason for that deferred money to be utilized for and earmarked for the Housing Strategy that this province desperately needed.

There were a number of pillars in that strategy, and when we say "pillars" it was to focus on target groups and target areas. One of them was the issue of homelessness in the province. Probably about 12 to 18 months before the actual strategy was announced, there was a pilot project in the province, which you would all be aware of and that was focused here in Halifax. That was to look at homelessness in a more holistic manner - not just

looking at the fact that if we put up some bricks and mortar that that's going to address the needs for those who are homeless. The approach would be in wrapping services around those who are homeless and assist them with many needs that create that situation of homelessness like mental health issues, physical health issues, employability. That program was extremely successful, as you know, and what was done was money was invested into different non-profit groups to expand their outreach programs. Those outreach workers basically became mentors to those individuals.

I'm just wondering - because of the great success, I know the next step was to look at increasing the number of outreach workers in the province, specifically in the city and then to look at whether there were opportunities to do that in rural areas where there may be a need. Can you tell me, has there been any increase in the number of outreach workers and budgets, and is that project continuing?

MR. TROKE: Madam Chairman, the initial pilot and substantive program afterwards originally had seven housing support workers, which then grew to eight. So we have eight support workers that exist within the various shelters and non-profit organizations, who support the individuals. I know that the number of people helped, as well, exceeded well over 1,200 individuals and continues to grow.

The investments that incrementally came really partially were - a large number of investments were made with landlords to help move people from a shelter into independence, so we did do a number of rent supplements that were allowing folks to transition. There are also monies that were put into support workers that came from Service Canada funding which is the HPS funding envelope for homelessness. At the same time that our program was being successful, there were also then housing support workers being added externally to us, so at that point in time we were not adding any more incremental support workers because they were being added by another funding pot, if you will.

All those organizations that worked together to achieve that would be described as quite dramatic success. I think we have somewhere around a 90 per cent retention level for individuals who leave a shelter and are living independently.

Part of the work we're looking at now, both as the affordable housing program and the Homelessness Partnering Strategy are moving into a new five-year funding envelope, is how can all the parties work together to make sure we maximize the opportunities that are out there? The United Way partnership is ongoing here in metro. There is a community advisory board that is now leading the Homelessness Partnering Strategy here in metro and there's a rural advisory board for rural Nova Scotia. Then there's also another smaller group actually specific to Cape Breton that has their own pot of money from the Homelessness Partnering Strategy.

At this moment in time there is quite a bit of conversation that's going on with the shelter community, with the United Way working groups and with the Affordable Housing

Association of Nova Scotia on how all these organizations are going to work together to maximize the opportunities that are there. I would say that at this moment in time there are a number of proposals and ways which are being considered to move forward.

At this moment I'm not sure specifically which would be the bulk of the investments that will be made. What I can say is that the initial pilot - which then became a program - has had incremental investments. Both are in supplements, the creation of another position, but also it has been enhanced by the fact that other funding envelopes have now copied the work that was done and have added other support workers to that as well. So the number of support workers that are out there has grown and the number of people who are being helped continues to grow.

Like I said, I know we're well past 1,200 individuals and continue to invest about \$400,000 to \$500,000 a year in these third parties that are doing this work to help people move forward.

MS. PETERSON-RAFUSE: That is great news because it has always been very difficult to put your finger on what potentially could be the answer in the whole area of homelessness. That sounds like a project that is successful and I'm sure will be continued.

There was some discussion, too, of how we can do this same kind of concept targeting youth and youth homelessness, which we often do see in the rural areas, it's more hidden. There were investments in the department for a similar type of program where outreach workers, specifically for youth, to look at that same holistic approach.

I know it's in a little different pot in the budget, but it does cross over into housing and I'm sure there is some discussion. Has there been any movement in that area to look at the expansion of those youth outreach workers since we've seen such a success in the pilot program now in the city?

MR. TROKE: The Youth Outreach Program - which you're right, was a separate program that was launched through the Department of Community Services, kind of outside of the housing work that was going on - these individuals were put within non-profit agencies to support many of the youth and, as you mentioned, some of the hidden homelessness pieces that are seen, couch-surfing and whatnot that might occur in some of the smaller towns.

I don't have any specific report that I can give you back on that. I've been a little bit removed from that over the last year or so, but I'd be happy to collect some information for you and send that back to you. We can make sure that you can get an update on that.

MS. PETERSON-RAFUSE: Thank you. I appreciate that.

MADAM CHAIRMAN: Mr. Orrell.

MR. ORRELL: You talked about the first time, first homeownership through some of the programs that are here. I guess my question is two-fold. The person who is going to have their first home through the program, I don't want to see them set up to fail, but after they've got their home and because of the circumstances they may be in, how do they do the upkeep on these homes? If they own them and they're paying for them and they need a roof or they need repairs or they've got a leaky basement or they get water or whatever, how does that impact you guys?

I suppose ultimately it would be you guys who would have to come to the table to help with repairs and stuff because if they're on an affordable home income, they don't have the extra money to do that. Is that something that is factored into the first time home ownership program?

MR. TROKE: The first number of pilots that we'll call them - Bloomfield and so on that we're doing - we're looking at ways we can capture as many of the variable costs as possible as part of the opportunity for an individual to go into a home. So what we've done with developments like Bloomfield is, we're going with incredibly high-end envelopes on the building to keep the energy efficiency in place.

We're also looking at programs where education is a key component of actually being successful in moving to a program; understanding the costs of maintenance and upkeep. Bloomfield would be a condominium model so everything would be captured in a monthly payment by an individual.

If you were then moving to more of a single-family home model as we move forward, it's making sure that a person is well-advised, both financially and physically, on what is needed to keep up a home, and also building in a capital reserve just as anybody else, or the ability to deal with those would be a key component of where we go. The programs we have are always going to be available to low-income individuals who need upkeep.

What we're looking at here would be setting some income thresholds to make sure that this would be successful for folks. We always used to talk about when folks went into various social housing - whether it was in a co-op or whether it was in public housing - we always had the philosophy of in, up and out. Well we got really good at the in, so part of what we need to look at is that trajectory of their income changing, what are they working towards, what's their family size composition, so that we make sure they're in a place to not just get approved, but be in a position to buffer any of those things that happen.

I'd also like to point to one of the things - and I didn't go into it in the opening comments, but we're actually looking at one of our units that's in the Truro area that we'll be building is what is actually called a passive house. This is a very high standard from an energy efficiency perspective. It's not the "whiz-bang, here are all the cool things that you can do to make a house that efficient." There is obviously going to be some technology,

but it's about building an envelope, building a house that's the right size that means from a cost perspective your variable costs are very flat. So if your mortgage payment and your variable costs are very flat, then you're pretty much guaranteed with only small increments as to what every month you're going to have to be able to pay. It starts to set you up for success, rather than having big variable swings where we all know the story - somebody dips into their credit because all of a sudden something happened one month, then they need some money to fix the roof and the credit is exhausted.

So it's about creating that consistency and regular payments - stability, predictability, and making sure that they have the proper training to be able to be successful in moving forward. I guess that's the one thing that when you've seen what has been happening in other jurisdictions, all those pieces coming together are really important in setting somebody up for success.

MR. ORRELL: Over the last year or so I've had some people in my office who we'll say are caring for a disabled individual, the family composition is getting older, the parents themselves are getting older. Their concern is what's going to happen to them, their loved one, after they're either too old to look after them as well as themselves, or they pass on.

There has been a lot of talk about community houses in areas of the community where these people live so that individual who could be mildly or severely handicapped gets to stay in that area where they still have the support of family, friends, neighbours, and so on and so forth. Is there money available through this program to keep that up or to add to or increase that?

I guess the other thing is around the new stuff that's being built. Is it going to be that it's completely accessible? The disabled community is growing, we're more aware of individuals with disabilities who could be independent with just a little bit of help or with the proper housing but they can't be if they're not there.

I guess my question is twofold: is there consideration for the older type that are going to be worried about their loved ones, and is housing being built up to accessibility standards?

MR. TROKE: Many of our programs we have today help individuals make modifications to their homes so they can stay in their home but we also have the ability to work with individuals if they're making adaptations to their home for their parent to move in with them or if they have a child who is living with a disability, to make those adaptations.

You're right about the numbers of individuals out there; it's large and continues to grow. In everything we build we certainly have what we call our own "visitability" standards. In those standards, we've developed them some time ago, we continue to update

them, with the idea that not only should the individual living there have the ability to be able to move around within the home, but you should also make sure that if somebody wants to come and visit somebody, they can get across that threshold, they can use the washroom, they can access the kitchen, those kinds of things.

Those standards are something that we've had in place for some time. Everything we build, we utilize those standards or we continue to update them. At the same time, right now there is consultation going on within the community around making sure that legislatively we have some standards in place for various forms of construction as we move forward as well.

As part of that, we're going to continue to update our own standards, but obviously we're participating in that work that's going on as well that will help inform what our overall standards are for everything that happens as it gets built as we move forward. The biggest thing we're finding is there is a lot of pressure on individuals trying to modify their home for can I get two to three more years, can I get five more years in the family home? One of the things we do over and over again - bathrooms are a very common thing to go in, and quite honestly, in some cases to actually add a bathroom to a main level of a home is a huge demand. That kind of work is already kind of part of the staple of what we do.

The other part, though, is as we build things for our own housing authorities, we're making sure that behind the walls, in the floors, are all the things that allow us to very quickly adapt the units. So as we build new units, it's amazing how inexpensive it is to do these retrofits on the front end versus trying to do it afterwards.

Over the last number of years the 300 or 400 units that have been constructed as part of all the different work, they all have behind the wall the dual plumbing in the bathrooms to pull the tub out, roll in a shower. We put a lot more plywood in the walls to help places for grab bars where in the past you would have been relying on finding some studs to hook things up, so we're proactive on that.

The cost to a unit overall is maybe \$1,000 on the front end, versus you could spend \$3,000 to \$5,000 on a bathroom retrofit on the back end, so it's much better to invest that money and have it in place. We continue to take that as our philosophy in anything we build as we move forward.

MR. ORRELL: If I could, real quickly, I know people going into public housing are income tested. Some of the individuals who are income tested either are just over the threshold but have numerous medical needs - maybe it's an electric wheelchair that can't get funded or it's medication that can't get funded. We've talked about this before, can that be deducted from their income to put them under that threshold, where they may be just over, or is that something that's done on an individual basis?

MR. TROKE: Typically what we would look at is an individual who can apply to the Canada Revenue Agency for a disability tax credit. That tax credit then gets deducted from your gross household income. That is a way that if someone was slightly higher, but those were monies that were being used to make sure that their needs were being met - if Canada Revenue Agency says they're eligible then that is a deduction.

MR. ED LAKE: That's the case - we are certainly bound by CMHC and how CMHC does the calculations and so we certainly make sure that an individual takes advantage of every opportunity to lower their income below the income threshold, but there's only so much that we can do because of the agreements with the federal government.

MADAM CHAIRMAN: Ms. Treen.

MS. JOYCE TREEN: Thank you for your presentation. I don't envy your job either, I'm sure it's quite a job. I want to ask you about - I guess you advertised for renters that possibly would like to supplement units for people. I guess I'm wondering how you advertised that and the screening you're going through with those renters, and is this going to be an annual thing?

MR. TROKE: What we did is make a call for proposals from the landlords. It is something that historically we have done from time to time. Traditionally we don't really do it if you're not looking to add a volume.

As part of that, landlords presented with the size, location of a unit and what price they were offering. What we asked for the landlords to do is - what is your rent on that unit and how will you discount that rent to participate in this program, which allows us obviously to extend the money that's available to go further over the number of units that are there?

Our feedback traditionally is that this is a program where landlords really like having a third party that is participating. One, our funding that we do every month comes on time, on the date; and second, we also go in and do an inspection of the units prior to a tenant moving in. So if there are any deficiencies, we would make them noted in that we actually wouldn't participate with the landlord until they were corrected. These are sometimes simple things; things like smoke detectors and whatnot are pretty important.

So our process then is that individuals who are already on our wait-list with the housing authority would be made aware of a unit, have the opportunity to go see that unit and see if it meets their family's needs. Then we would effectively negotiate what would be the ultimate payment by the tenant and by Housing Nova Scotia.

So the process in getting folks to see units and whatnot sometimes can be a little timely, but the other side, we find as many individuals then when they move to a unit in a

community, this is something that really wasn't on somebody's radar screen, if you will, before that. It typically opens up an opportunity where someone might say it's closer to the school, it's closer to work or what have you. It really becomes a win-win for those folks' involvement.

Our call for proposals at this point, we envisioned we would do it to find out who is interested in participating. Depending upon the response, depending upon the number of units that we would be able to fill, we would consider whether we would do it again or not, but certainly trying to make available those units as quick as possible to the people who are already on the list and waiting.

MR. CHAIRMAN: Mr. Gosse.

MR. GOSSE: My mind has been wandering here, Dan, the last few questions, but I wanted to ask about P3 schools. Their contracts are coming up - 20-year contracts. Some of the schools were built in 1999, 2000, 2001, and they have to be notified five years out whether their contracts are going to be renewed.

Has there been any thought around - even rural communities where the schools are closing because of the downsizing of the student enrolment - is there any thought on making a P3 school, a rural school, into an affordable housing complex or a P3 school into a long-term care facility? We have to have some type of use for them, and they're private. Has there been any thought in housing about approaching the P3 schools? I know the notices have to go out this year.

MR. TROKE: Mr. Chairman, I know many conversations have been going on in communities around schools. Normally as soon as a school is being considered surplus (Interruption) Right, but we usually also get a call at the same time because the schools are usually located in a place where there's ample parking, they're close to various amenities and you have a big space so you can do a lot of things with that.

We have done, with third party organizations, retrofits of schools to go to residential. We have a couple of schools actually in our own social housing portfolio that were schools and were converted to be a social housing residence. Sir John Thompson here in Halifax probably is one of the most sought-after locations that I think exists within social housing, probably next to the Esplanade being a place where folks like to retire to.

We do have and we have done, with third parties, a number of schools that have been converted. We did a couple of schools actually in the Amherst area just a few years ago where the municipality didn't have a need but there was an individual in the private sector who was interested in buying the school from the municipality and then converting it, so that can happen.

I think the biggest pressure typically comes on when you see a school that might be vacated as (1) environmentally, what do you have then and (2) what is the demand for that area. Often when a school is declared surplus it is also because you have a dramatic drop in population in that area at that time. For a building to be converted, normally with a 20- or 25-year mortgage attached to a building to kind of do a retrofit, you want to make sure that you've got sufficient population to keep that full.

We haven't had a lot of conversations with folks around the P3 schools at this point. I know of one specific conversation that has been going on in a community around a P3 school so I know that has been out there as a conversation but we have not been involved in that. As any conversion of a building, as any proposal to develop affordable housing, we start off with a concept with folks who are looking to do something, work through the math on it and work through whether this fits and has long-term sustainability, so if there was a school that was being considered for something else, we're happy to sit down and be part of that conversation to see if there's something we can do there.

MADAM CHAIRMAN: Mr. Rowe.

MR. ALLAN ROWE: Thanks very much, Madam Chairman, and gentlemen thanks very much for coming here today. Mr. Troke, congratulations to yourself as well, sir, we've had some excellent discussions over the past year or so.

One of the things I wanted to touch on and ask about was how much, if at all - and perhaps this is out of your purview so apologies if that's the case - but looking at the need, or is there a need for how we monitor and assess going forward? I see an awful lot of what I would call front-line assessments for people when they come into the homes; they are assessed on their front line, their income is tested, things are all done at the front line. We place and help them get in, particularly when we look at these projects we want to look at going forward but are we looking at monitoring them and assessing on a continuing basis? Is that person still in the right place? Is there somewhere else they should be? What is the condition of the place that they are in, for example? I'm curious about that.

MR. TROKE: I'll talk about that in two separate ways. First of all, within our existing housing stock there is a real opportunity, particularly when individuals are signing leases, to spend some time with that individual not only to look at from an income perspective of where they are but is the unit that they are in meeting their needs? Are they in the community or in the space where they need to be?

We are looking at part of our processes and changing many individuals who particularly might have been in a unit a long time, typically with just signing their leases, whether through the mail or might drop into the office. We are looking to make sure that we get out into the units with those individuals more often, even if it as simple as when you are signing a lease and finding out what folks' plans are as they are moving forward. It sounds simple but I think it's an important step in trying to make sure that relationship

is stronger, particularly as individuals get older or as disabilities may be progressing for some of those individuals.

On the home ownership front, we actually, as part of our historical programs that have been available in Nova Scotia, we used to do those kinds of annual meetings with individuals. We used to have lease-purchase programs where each year folks would go in from our housing services group or from our housing authorities, talk to them about simple things like furnace maintenance, and cleaning HVAC systems and whatnot. I think that would be an important component of anything we'd be looking to do.

Now how tight that would be or what's the right frequency for those kinds of things would be things you would want to work through. I think there's some real value in creating that connection so that it's not like a bank every five years you might hear from somebody to say a mortgage is being renewed. I think that connection is important, but also as people are starting to explore opportunities that if you started in a place - and this was really intended to be your start, and there is nothing wrong with that to say there's a place that gets you building to what's next or maybe moving you along a continuum. I think those are very important opportunities - not just for a person to be thinking about what's next, but working with someone who is trying to help them achieve that.

So I think those are all pieces that we're exploring to see, from a policy and regulatory perspective, how we would put everything together, but also backing up to the stuff we already do today. I mean, ultimately the Housing Strategy was about making sure that we have, one, some new ways of doing things, but two, making sure the base that we have is protected and in really good shape as we move forward.

I think the relationship with the tenants is one that we absolutely want to make stronger, but making sure that, as people's needs are changing, we're being proactive enough to help move them to the right places where they want to be - not where they're put, but where they want to be. Then if we don't have those options today - how can we be building our portfolio, that capacity, to meet those needs? So that's going to be a conversation that we're going to have to have with the tenants. It's not going to be a one-off conversation - it's something we're going to have to build some trust and over time make sure that we're there to help them move through that continuum.

MR. ROWE: A quick supplementary to that - can we do a lot of these things with existing facilities and existing personnel or are we looking at adding? What do we need going forward? I think that is important.

MR. TROKE: I think actually Mr. Lake had something he wanted to add as well.

MR. LAKE: To your point, housing authorities have always been obliged to conduct annual inspections, unit inspections, and the emphasis has always been on the condition of the unit - what shape the flooring is in or are the closet doors still where they

belong and that type of thing; so usually it was, let's send a technical person in there, whether it's a maintenance person or a maintenance supervisor, but someone with some technical skills to evaluate the building condition and interior of units.

The changes that we're making now, okay, you don't really need to be sending in a maintenance person. Maybe the maintenance person is the last person that you want to send in. If you're interested in looking at trying to do evaluations of the psycho-social aspects of what's going on inside that unit, whether it pertains to child welfare or adult protection, or if there are issues around whether it's hoarding or if someone is physically able to carry out their life-sustaining practices, the last person you need is someone who knows how to use a saw or hammer. So whether it's a property manager, whether it's a community relations worker, it doesn't matter, but someone who is sensitive to human needs and not physical needs for the building is what's important.

So beginning this year - I mean, not every housing authority is going to be able to do every unit in that way, but certainly what they need to do and what they will be doing is to at least prioritize and target. For instance, in seniors buildings, I dare say that the people may be in worse shape than the units, so let's send some people into those buildings to evaluate those units using some criteria that's really going to be more important to those residents than the way we've tackled in the past. While we aren't necessarily adding resources, we're certainly addressing it at this point by a better allocation of the resources that we do have to address that problem.

MR. TROKE: I'll just add to Mr. Lake's comments also. One of the things that we have done in some of our larger high-rise seniors buildings has been working closely with folks at Capital Health and within the Department of Health and Wellness to coordinate the services that are coming to the building better.

What we've found is over the years a lot of times you would have folks who would be bringing supports and the worker would show up at 8:00 to help somebody on the third floor - they would go to another call, come back at 11:00 to go help somebody on the seventh floor. So there is a much more efficient way to be coordinating those services and particularly services where folks might actually be leaving the building to get them, whether it was blood collection or some diet counselling or whatnot.

So we have, in a number of our larger complexes here in metro, a coordinator. We've created a space where that person would work out of and they're working with the service providers who will be coming to the building, but also for those folks in the building who need services to get some of those services.

It's something that we've been trying. It's like anything else, it's about gaining some efficiencies but also those persons have to gain some trust with the folks who are there in the building. We have many people, as you know, in their 80s and 90s living in

our buildings, very independent but need some supports, some services that come to their homes.

That is something that has been in place now for about a year and a half. We've been evaluating kind of how that works. Now we can continue to improve it. It's something that our colleagues at Health and Wellness are quite interested in, mainly from a perspective of gaining some real efficiencies in their service providers coming to our buildings but also it's developing a real huge comfort level for those folks in the building having that kind of "go to" person when services are coming or some of those services they might need to do. We're going to continue to explore those opportunities as we move forward and evaluate kind of how well the model that we have works.

Also, as part of our retrofits, we're obviously making sure that space is available in a lot of these buildings to make sure that we're not trying to commandeer a portion of an entranceway or something, that we actually have a servicing room where folks can come and be comfortable and be able to either meet with a health provider or, when the service providers come in, coordinate the activities of folks going throughout the building.

MADAM CHAIRMAN: Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: I wanted to address another pillar in the strategy and that is with respect to persons with disabilities. Mr. Orrell brought up a few questions. I want to talk about the connect between the 10-year transformation of those with disabilities, the services and the housing component necessary for the success of that 10-year plan. As you know, there is a crisis in the province, in terms of the wait-list for those with disabilities for residents and the community options, as was mentioned by Mr. Orrell.

The biggest issue is the fact that we do not have the infrastructure to offer those community options. The plan has been put together with community, with parents, with advocate groups and individual representation. Now is the time that there needs to be a clear investment into creating those community options. I'm just wondering, I didn't hear anything in the dollars that you have spoken about that have been allocated that is being allocated towards that specific strategy. Is there a financial plan in place so we see a movement in terms of the disability transformation strategy, more investments in places like of course L'Arche but also more investments in creating throughout the entire province those community option opportunities?

MR. TROKE: There are two pieces to that. First of all, part of both the Housing Strategy and the work that has been done around the road map is that there has to be a very strong linkage between everything that the housing is doing and Community Services. So as such, I'm still and will, in my role, be an active participant with the executive of the Department of Community Services. There's a lot of work that is ongoing where players from kind of both sides are continually working on various initiatives that are moving forward.

The recent announcements were very specifically targeted towards units that are in the social housing agreement. It was part of that original 1997 kind of definition of what can you do and how can you do it. So we have within that been able to expand the initiatives around making our units more accessible so some of the stuff we already have, we all have - and I know that's not specific to the SPD transformation but we're making sure that what we have has more capacity, more ability for folks to be able to access it.

A lot of the work that we have with third parties, particularly the non-profit sector that access various programs, are very keyed in to how we look at creating places that are maybe in smaller numbers but have more accessibility features and whatnot attached to them.

You don't hear in that announcement specific numbers for SPD transformation because it was very specific to the social housing agreement so it kind of had to be that way. But with regard to the linkages in the strategy and the transformation in the road map, it's very much intertwined in that the work that's being done by Housing Nova Scotia will be very intertwined with the work with SPD, and vice versa, SPD with what's going on with Housing Nova Scotia.

As we see some of the legislative pieces at work, the consultation that's going on, you see both SPD and Housing Nova Scotia at the table for those sessions to make sure that we capture this - whether it's individuals who are living in smaller options homes or whether we have individuals who are living independently with supports from the community or supports from their family.

MS. PETERSON-RAFUSE: To follow up, I understand it's - as you know, I always said it's like a ball of twine, and when you unravel it you'd find a knot and then another knot and another knot, so it's an extraordinarily difficult challenge. Of course the financial component is really a challenge in our province, but in order to move forward there has to be that priority that attaches the financial commitment to the actual plan.

I know there are a lot of conversations around budget - I'm just wondering, what is that process of budget discussions with regard to Housing Nova Scotia and the transformation, the road map, in order to make sure that when you're speaking and doing budget conversations, that you're able to pinpoint, okay, in year one or year two we need to set aside X-millions of dollars that are specifically going to address that plan and move it from step A to step B. Are those conversations taking place? Is there a plan that's in place to do that moving forward?

MR. TROKE: I can't predispose government budget conversations, and I would never scoop a minister or anybody on anything like that, so I'm only going to go so far with my comments - and you know that. (Laughter)

I guess basically all the work with regard to SPD transformation I'm going to actually have to let the folks in SPD and the Deputy Minister of Community Services to speak to that. The one thing I can assure you is that we have been very active with regard to - how can the work that Housing Nova Scotia is doing, not just support what's going on within SPD, but how are the initiatives in SPD intertwined with some of the things we're talking about?

So when you think about healthy, vibrant communities, giving people an opportunity - affordability is only one piece of the strategy, as you know. Giving people choice, giving people accessibility are all key components of it. So it really is that two-way street, but with regard to monies that are earmarked, I think you'll have to talk to the folks around the SPD program to have that conversation.

MS. PETERSON-RAFUSE: Excellent answer. That's why you're the CEO.

MADAM CHAIRMAN: Mr. Maguire.

MR. MAGUIRE: I want to go back to the mixed income housing. Are we looking at taking some of the public housing that we have now? I'm using HRM because I know HRM best, obviously - so Mulgrave Park, the pubs, Uniacke Square, Greystone, places like that. Are we starting to turn it around so that maybe we do have some mixed income?

I always go back to Cook Avenue in Halifax. I don't know if you guys are familiar with what's going on there. We have a co-op right on Cook Avenue that's intertwined with home ownership. I know half the people who actually live on that road and you'd never know. I think that when you look at Mulgrave Park, Uniacke Square, and Greystone, which have their own particular set of issues, I guess, because it's so removed from the actual community, but if you look at Uniacke Square and you could start mixing in home ownership, different cultures, different income, maybe it would take the public's opinion of those areas and change it a bit. Are we looking at doing something like this?

MR. TROKE: So first, my view on that is that if you look at where success has been had in doing transformation in communities, the community has always said this is something we want to occur. So as a government agency, what we're looking at with our Bloomfields and some of our other small projects, is demonstrating something that we can do. That is something whether the private sector simply wants to copy it, whether a non-profit agency wants to try something, whether our own tenants want to have a conversation around something they want to have happen in their community. I would never predispose that any specific community would be looked at or changed without a community saying this is a conversation we want to have.

I think you can turn to many different models and you earlier brought up Regent Park - Regent Park wouldn't have happened if it wasn't for the people who lived in Regent Park. It wasn't driven by the municipality, it wasn't driven by the developer - it was actually

driven first by the citizens who were very, very tired of the way Regent Park looked, felt and was being run.

My view would be that if there is a conversation that folks in any of our units want to have around their community, around changes they want to make, we have many tenants' associations that, as you know, in some cases are actively involved in the community, in some cases not so much. So are there conversations that folks want to have around what is here and now? Are there conversations that folks want to have around what things look like down the road? We are happy to participate and be part of that and see if there are things we can bring to do that.

Our number one responsibility here is to make sure that we have affordable housing available. Part of what you'll see with Bloomfield and the other developments is we're going to demonstrate some different things. If that is something that a community says we're really keen in having a conversation about, we're there, we're part of it, but I would never predispose any of those things ahead of time to any communities.

MR. MAGUIRE: So there are 18,000 people in public housing right now. Can we actually - I don't know if you guys would have this number or not but the average length of stay for individuals in public housing? I know you said that it has to come from the public but I mean could we not be the conversation starter around it? Could we not meet with communities and say - I mean I look at Greystone, for example, I grew up in and around that area, and there are third-generation, fourth-generation families up there. There are people who have been there for a long time and they consider it their community.

I have friends who have lived in the same home that their grandmother lived in. They've probably paid for the home 10 times over, right? So I'm just wondering, are they aware that this could possibly be an option? Can we start the conversation? Is it possible to go up into these communities and say listen, we know that not all of you are ready for home ownership, but even if 5 per cent or 10 per cent of them are ready for home ownership, maybe that's something that we could possibly be looking at.

MR. TROKE: Any time someone wants to champion a conversation like that we're always happy and supply information. I do want to point out, though, that about 65 per cent of those 18,000 individuals are seniors, particularly when you get outside of metro - although we have some very large buildings in metro that are senior-related - in many communities it's a retirement opportunity, it's an option for many, many folks.

I think there is a conversation that can be had. I think though the conversation is also one that individuals who are paying \$300 a month in rent, even if they're there for a very long period of time, the costs being absorbed to maintain these units as they are, it's substantially larger than the rent. That being said, if we had people, and even if it's a small number who say look, I'm working towards something, it is absolutely the intent of what particularly family social housing was, that it was intended to be something that gap-

stopped for individuals when things were going wrong, if they were free-falling or they didn't have income, to stabilize the situation, help kids stay in school, all those things, and then progress, how do you move forward.

You're absolutely right; there are lots of circumstances where you have multi generations attached to various units, to various communities. We also know of individuals who land in social housing and do stay for a short time and are able to move on. I think there are some things that can be learned from what they did to make those transitions, how can we help other individuals with that?

As I said, we're always - we come to many different community events, we come into many different tenant meetings and sometimes they go in different places. If that's a conversation that folks want to have or even would like us to come and talk about some of the things that we know and see - whether it's length of stay or what have you - we're more than happy to collect that information and bring it along and have some conversation with folks.

MR. MAGUIRE: Is it possible to get the information around the average . . .

MR. TROKE: We'll get that for you.

MADAM CHAIRMAN: Ms. Peterson-Rafuse.

MS. PETERSON-RAFUSE: I want to speak about another pillar in the strategy and that was the focus on senior housing, and the critical need of giving an option to seniors to stay in their homes longer. That has been a discussion that we've all had many times over and how to approach it in a holistic manner - that there are programs available through the Department of Health and Wellness that address some of those health needs; the programs that address shovelling snow - those smaller things that really make a difference, whether somebody is able to stay in their home longer.

So I'm going to reference back, and I think it came up in the conversation - the income level. As you know, there have been many conversations around that and the challenge of the Hills formula, and the fact in today's world, really that formula is inadequate and too low, and needs to be readjusted.

I'm wondering, as a department or as Housing Nova Scotia, what initiatives can you take to address the constraints of the Hills formula and perhaps put on the table for discussion of changing those income levels to make them more real to allow more seniors who are on fixed incomes - because there is a huge gap that's created because of that formula. Those individuals are the ones who are really falling through the cracks and have no place to go, and the wait-lists for long term are extraordinarily long. There is quite a crisis that is brewing so I'm just wondering what initiatives or actions have you been contemplating and if not, is there an interest in that?

MR. TROKE: All the agreements that we have - and particularly the social housing agreement - are tied to household income limits. Where we have some flexibility is around the geographic areas and the boundaries that you set. Whether you're going with one number for the entire province or a number as we do in Nova Scotia, we have something that's for Halifax, something for what we have is four or five towns - census agglomerations is the Statistics Canada term - and then we have the rest of rural Nova Scotia. Over time we have made some adjustments to those to try to maximize the opportunities for folks to be eligible for the programs as you see challenges occur, but with regard to the Hills formula itself, there is very little that you can do to that formula.

That said, we're moving forward with some of the new initiatives under Housing Nova Scotia that may not be cost-shared programs as we look at those. So what are the right income cut-offs for somebody who is looking to buy their own home? What is the right income cut-off if you're going to look at developing some kind of flat rent model - something that maybe wouldn't be as tied specifically to your exact income, but might be something that might be lower than what the average market might be. Those are some kinds of things that we have explored in different developments and some things that, in fact, in different pockets have been piloted over the years with some of the units.

As you know, some of the units we built under economic stimulus just went flat rent. As long as your income was below a certain threshold, then here is a flat rent formula that got charged. What that did is allowed us to make sure all of these units could be operated on a breakeven case, so it was not going to be required five or 10 years down the road for the provincial government to put a large sum in from a capital perspective, these units were actually operating in a case that they were sustaining themselves and every two to three years we'd look at if the rent was \$650, what would the adjustment factor be to keep that as a sustainable opportunity?

Those are some of the things that we've been able to do in units that we own and maybe aren't tied necessarily to other programs, but with regard to the homeowners, the household income limits themselves we every year have as many people apply as there is funding and opportunities to help. So to expand those limits - and I know what you mean - there is always somebody who is \$100 or \$200 on the other side. I think there might be some different opportunities with some of the small loans programs that over the years may have been used a little bit, but there might be some more opportunities to look at how that would work.

With regard to what we get from CMHC every year, we do look at different options that might exist or request different information to see if there's something we should be doing to make it so that programs are more accessible, but by and large, pretty much the system that we have, each year we house 18,000 people in our units and we have usually anywhere between 2,200 and 2,300 individuals apply for grants and receive the money that's there.

MS. PETERSON-RAFUSE: The homeowner portion I'm very concerned about, especially for rural Nova Scotia because as you know, we have the oldest housing stock and it's not just the oldest housing stock as public housing but just take a drive in rural Nova Scotia and see the old farmhouses that were passed along to the families and now there's just a senior couple that is struggling to try to stay in their home. Are we legislated by the federal government to have to follow the Hills formula through CMHC or can we bring in our own legislation to top that up?

MR. TROKE: Anything that we cost share with CMHC has to be tied down to household income limits - social housing agreement, the RRAP program, and so on. Where you have some flexibility typically is when we're combining different programs so if there's an energy efficiency program that might exist with insulating or whatnot, we have over the years been able to kind of do some more things outside. Someone might need to apply to us and really what they needed were some energy upgrades to their home to make it affordable. That way we've been able to kind of work with those folks with some of those third-party agencies that might have slightly higher thresholds, to do that kind of work, so we have been able to do that.

There is obviously any time that a new program that would become available that is not connected to CMHC to have specific provincial regulation attached to that, but any time there's a cost-shared arrangement then that's typically in the purview of the 50-cent dollars that would come from CMHC normally means it has to be tied to Hills.

MS. PETERSON-RAFUSE: At one point there was discussion in the federal transfer dollars that there was going to be a different structure to that to provide the provinces with more flexibility, did that happen and what flexibility did you get out of that new agreement?

MR. TROKE: First of all, we have greater ability to kind of combine programs together. As you know, a lot of individuals might come through thinking they need a roof and we do an inspection and here's the fuse box and the oil tank and all these other things. So we have greater flexibility to move folks into programs that might help them greater than what they originally came through the door with.

The second part, though, is that the definitions that we used around things like disability that used to be very stringent, we have more flexibility from a province in defining what we mean by that. At one time only if you had a mobility challenge would that be considered a disability where versus somebody that might have an intellectual disability or might have other physical disabilities that really wouldn't fall under. So we have greater flexibility in making program dollars available to those individuals to help them with their needs.

Each year, though, what we do is we explore what programs we're offering. There are certain ones that we need to go and look at how we define them, how we - the levels

and funding that we do, we revisit those. Those are things that within the program we have greater flexibility and have been able to take advantage of. I think it's one of those things that while we still have household income limits, I think it has meant that folks who in the past might have been able to get some minor fixes to their home, the ability now to do adaptations to help them stay in their home longer is greater than it ever was.

MS. PETERSON-RAFUSE: Thank you very much.

MADAM CHAIRMAN: Mr. Maguire.

MR. MAGUIRE: This will be my last turn. I just want to go to contractors. I want to know how often the department is reviewing their contractors to make sure that they are actually achieving what they are supposed to be achieving. How long are these contracts? I've got a couple and then I'll let you guys go at it.

Once again I'll use HRM as an example - are we tendering, we'll say, snow removal? Are we using one contractor for all public housing in HRM? Are these tenders automatically renewed at the end or do they go back out to the public?

MR. LAKE: With regard to monitoring the contracts, housing authorities are our operational arm; they are the day-to-day property managers. So speaking on their behalf, when they issue a contract, they following provincial government policy for procurement, so that's a process that they use for procuring contracted services, whether it's a standing offer or whether it's a lump-sum tender for construction or whatever, but that's the process that they follow.

The construction administration and monitoring the contract is going to vary depending on the nature of the contract. If it's, say, replacing windows or replacing a roof, then there would be some close monitoring and inspection as the work progresses. If you look at standing offer contracts, which might be, say, for plumbing work or for heating work where they have a contract for providing 24/7 service, it isn't necessarily practical or even possible to inspect some of that work, but they manage their risk and so if there are reasons to inspect because of the nature of the work, because of maybe something that they might know about the contractor or for whatever reason, then they would certainly increase their level of effort for monitoring inspections when it comes to something like that.

You asked about snow removal. In MRHA, the Metropolitan Regional Housing Authority, I believe they have a single contractor at this point that does all of the housing authority properties. That doesn't necessarily have to be that way. In the past it has been done different ways where you might geographically split up an area. So there are a number of different strategies that can be used and the housing authorities have some flexibility to use a process that makes the best sense for them.

I'm not exactly sure what the terms of the contract are for snow removal - I know you just sort of picked that - but we can certainly provide you with the terms of any kind of contract. Some contracts are tendered on a yearly basis; some contracts are tendered over two years, three years, or even five years in some cases like for elevator maintenance services. So, again, you pick the term based on the nature of the contract and what makes most sense.

Contracts themselves always have a termination clause and so termination clauses - my sort of philosophy with these things is it has to work for both parties. In a perfect situation, if things aren't working out for whatever reason for the housing authority or for the contractor then there should be provisions that allow either party to terminate the contract with proper notice.

Ultimately the housing authority has to do work. They enter into these contracts to make life better for residents and to facilitate work getting done, so if you're not meeting those objectives, you might as well come up with a plan B for those things. Opportunities to terminate will have to be thought through. I mean, in the middle of a snowstorm you aren't necessarily going to terminate a contract, for instance. So on a case-by-case basis you have to look and see what is the best thing to do.

MADAM CHAIRMAN: Mr. Gosse.

MR. GOSSE: A quick question - with the price of oil and the warm weather, aside from today, does Housing Nova Scotia see a big savings in their fuel bill this winter with the price of furnace oil? Is it possible to know what kind of savings you're going to have?

MR. TROKE: We buy our oil - what we do is we do a tender and we get a price. It's a Montreal gate price usually, which is a discounted price, so there's a price and it's discounted X-number of cents. As the price goes down, so does our cost.

This year, from a perspective of savings with regard to it has taken us until January before it has gotten cold and we have snow - I don't necessarily know that there has been a significant savings. Maybe it's too early in the year to say. I know that we've had some other challenges in things in our remediation in some of our buildings that have come up that are higher costs than you would normally see.

I think what we have is our housing authorities are planning on coming in on budget. If the price of oil continues to be lower, it certainly will at the end of the day give us some opportunity to have a lower impact on our fuel bill.

MADAM CHAIRMAN: Are there any further questions?

Thank you very much. We appreciate so much all the hard work you do for us on a daily basis and that you've taken the time to come and meet with us and answer our lengthy questions - it was a bit of a marathon Q & A. Yes, I thank you all.

I think that instead of taking a short recess maybe we'll wrap things up for the day. We do have a bit of an issue regarding our next meeting, there are just some scheduling conflicts for that February 3rd meeting. For now I think I'll just adjourn and say that we'll meet again at the discretion of the Chair.

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried. Thank you very much.

[The committee adjourned at 2:51 p.m.]