



HOME

Sweet

HOME

A menu of options for people who want a home

St. Marys, Ontario

2006



HOME *Sweet* HOME

A resource booklet developed in the community of St. Marys, Ontario to address the need for people with limited incomes and disabilities to have security of home.

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Thanks

This booklet would not be possible without the previous work done by the citizens of St. Marys and area, as well as many others around the province of Ontario who have been thinking about and acting on creative ways to offer affordable and accessible options for creating a home. We are grateful for the information they have offered.

Community Living St. Marys and Area has taken a lead in compiling this resource and thanks the following members of our community, who as accountants, lawyers, investors, long term care providers and realtors came together over many lunches to provide advice.

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“Home sweet home. This is the place to find happiness. If one doesn’t find it here, one doesn’t find it anywhere.”

M. K. Soni

Why this booklet was written

Throughout history, people with disabilities have experienced little choice and control over where and with whom they lived. They have experienced many years of congregated and segregated housing. Ontarians with disabilities have been 'housed' in asylums, hospitals, residential schools, institutions, core residences, and group homes. For many, a place to live was not a place of their own choosing. Those who did stay at home with their families had little or no support from either community members or community services.

Today, people with disabilities and their families have more options than ever before. They have more choice about what they want 'home' to look like. There can be choice about the people they live with, the neighbourhood they live in and the supports they receive to help them. However, the reality is that people with disabilities are often renting places that are inappropriate for their needs, inadequate, too expensive or considered temporary. Many people also find themselves living with people they didn't choose, yet they are unable to move because it is the only place they can get the support they need.

This information booklet has been written to provide a menu of options to consider when creating long-term, security of home for people with low incomes, which so often includes people with disabilities. This is just a snapshot of what we know today. With continued thought, creativity, and partnerships there is sure to be even more options available in the future.



"Home is a name, a word, it is a strong one; stronger than magician ever spoke, or spirit ever answered to, in the strongest conjuration."
Charles Dickens

This information booklet has been written for:

- people with disabilities who want long term security of home
- families and friends of people with disabilities who want to support creating a home
- supportive agencies who see a role in helping people with disabilities create a home
- investors who may be interested in making a community based investment that has both a financial and social return.

Thinking about and exploring ways to have places to live that offer long-term security is, for some people, a new way of thinking about home. This booklet may be helpful since it has been designed to:

- present new information on the topic of long-term security of home
- help the reader learn what options may be available
- discuss the benefits and things to think about for each option presented
- provide resources for funding and other types of assistance
- educate people who have low incomes, their families, supportive community agencies, investors, and realtors about possibilities.

Throughout this booklet we will refer to 'home'. This includes all types of housing. Home can look different depending who you are and what you expect from a home...

- single family dwellings
- duplex
- townhouses
- condos
- intentional shared arrangements
- any other possibility you may be considering!

This booklet refers to many different scenarios about who can actually hold title, or legal ownership, of the

home. Many people are not aware that someone receiving Ontario Disability Support Program¹ (ODSP) pension can own their own home, and even qualify for emergency repairs. For some people, it makes sense for the title of the home to be in their own name. For others, long term security of home is more important than home ownership and the home may be:

- purchased by a family member and rented back to the person living in the home
- held as part of a living trust (inter vivos) of, for example, the parents
- held as part of a discretionary trust (testamentary) of the parents
- purchased by a non profit organization
- purchased with money from an investor
- purchased in partnership with others

We believe there is a role for non-profit agencies in the development of options. The role of non profit organizations can include:

- begin to think of a person's home and the support that person needs as separate functions
- networking and creating partnerships with real estate, developers, lawyers, banks, investors, accountants, etc.
- connecting with areas doing similar work to share learnings

- facilitation and coordination between potential partners
- promotion of ideas to people with disabilities and their families who may not have considered home ownership and alternatives to traditional group homes
- presenting options to people with disabilities about financial affordability and managing monthly payments

Like many communities across the country, people in the town of St. Marys, Ontario have been thinking about affordable, accessible housing for many years. There are a number of housing options currently available in our community as a result of the work of many interested citizens. This includes:

- Life lease housing for people over the age of 50
- Rental properties (apartments, townhomes and houses)
- Condominium
- Adult community land lease housing (seniors)
- Townhouses
- Single family dwellings
- Long Term Care facilities
- Supportive housing
- Cooperative housing
- Rent geared to income housing

Community Living St. Marys and Area has been instrumental in bringing people of the community together to think about long term security of home and people with low incomes, including people with disabilities. These community members were instrumental in providing information for this booklet.

Regardless of who you are (person with a disability, family member, investor, friend, personal assistant, supportive agency, etc.), it may be necessary to talk to others to fully understand how information in this booklet impacts you. This booklet is a way to begin to think about a variety of options that are possible. However, we do recommend that you also seek the advice of your own lawyer, accountant or trusted professional to help with the details and how they relate to your situation. Options can play out differently depending on the location and community.

Words used in this booklet

This booklet uses words that are common when writing about housing or home.

- **Security of home** – a place that you call home that is safe and secure. You do not ever have to move unless you want to.
- **Buyer**- the person(s) who will have title, or legal ownership, to the property
- **Equity**- the increased value of a property that usually occurs over time
- **Investor**- someone who is willing to finance the purchase of a home
- **Mortgage**- an agreement between a borrower and a lender to purchase a home over a specified period of time
- **Partnership**- a relationship that is established for the purpose of acquiring a home
- **Contract**- a written agreement between people to identify the obligations that have been agreed upon
- **First Right of Refusal**- the right to buy out a partner before others can
- **Trustee**- someone who is give legal authority to manage money or property on behalf of somebody else

Planning what you want²

People with disabilities, their family and friends often find that a planning process will help them to think about what's important in creating a home. It will be important to consider different aspects of your life and lifestyle preferences when you are thinking about creating long term security of home.

The information in this booklet refers to people with disabilities, regardless of type or significance of the disability a person may have. In other words, it is possible for anyone to have security of home. The process to make necessary decisions about your home is different for everyone. Many people need to rely on others in their life that they love and trust to guide them in their decision making, such as family and friends. This is often true for those who do not verbally speak for themselves. They trust that others will listen and act according to their wishes, or the interpretation of their wishes.

Having choice and control over decisions about how, where and with whom you live is essential to creating your own home. This booklet is based on the assumption that people with disabilities will have the information and support they need to make choices and decisions

about their home. This is part of the *New Story*³ for people with disabilities. This new vision shifts decision making from service providers, to people with disabilities and their family and friends.



*To be happy at home
is the ultimate result
of all ambition.*

Samuel Johnson

This means having information that can help think about home in a way that provides them with a place that is safe and secure, and maximizes the choice and control they have over their living environment. There *is* a difference between housing and creating a home. It is the freedom and authority to choose (perhaps with help of family and friends) ...

- from a wide variety of living arrangements
- design of physical space (renovating, redecorating)
- the kind of neighbourhood to live in
- who to live with, if anyone
- an urban, suburban or rural community
- a single-family home, townhouse, condominium
- to own or rent
- to move to a new home within reasonable time

With freedom and control comes the rights and responsibility of citizenship, such as:

- maintaining your property and physical space
- helping your neighbours
- participating in neighbourhood activities
- accepting the social consequences of your actions as a neighbour.

In St. Marys, support for this planning process is available to people with disabilities from a planner at Community Living St. Marys and Area. In other areas support for planning is available from independent facilitators who are not linked with typical developmental service agencies. The planning process enables people with disabilities, often with the help of their families and network to be decision makers in their own life about many things. Good value planning will assist the people to think about some basic things, like where and who you want to live with, if anyone. The planning process helps people to think about their preferences for the different types of neighbourhoods, rural or urban living, type of house, housemates, income, standard of living, and the need for transportation.

Supports to live in your home

For someone with a disability, having a home is often linked to having the support, assistance, and services needed to live there. People who receive a provincial disability pension i.e. ODSP can own a home. There are government grants made available to assist with emergency repairs.⁴ People want and need different amounts and types of support and services. Supports services may range from 24 hours a day to weekly or occasional support. It is possible to link support services to the individual in a way which allows for the greatest flexibility for the type of support offered. It is the role of a supportive agency in consultation with the person with a disability and their family and friends to figure out what supports are needed. The type of support required may influence the type of home that is wanted.

People with disabilities and their families are very creative about how they live in community with the support they need.

Some examples of this include:

- Supportive roommate(s) ~ living with another member of the community who provides i.e.: overnight support in exchange for free or reduced rent
- Supportive neighbour(s) ~ living next to another member of the community who provides support, but has their separate space. Support may include the use of technology i.e.: monitors to provide overnight support. Compensation may include free or reduced rent.
- Living in situations where housing is provided as part of work, such as: farm hand, Mother's helper, support to a Senior
- Co-op housing with supportive neighbours
- Boarding
- Supportive room and board
- Living with a family other than their own
- Intentional community (homesharing)
- Supportive Housing



"A house is made with walls and beams. A home is made with love and dreams."

Author Unknown

All these situations, and more, can be created to address the need for quality of life and a need for supports.



Single Ownership
Multiple Owners
Land Lease
Jeff's Story

Security of Home through Ownership

"Your home is your refuge."

George Carlin

Single Ownership

Single home ownership is the traditional way that many of us think of owning a house or condo. Home ownership generally requires you to have:

- a down payment
- a mortgage through a bank or private lender
- enough money to pay your mortgage and bills each month

Some advantages of single home ownership are:

- security of home
- one owner
- can apply for a mortgage through a lender (bank)
- an opportunity to build equity
- choice and control over the place you live and who you live with
- increased privacy
- pride of ownership
- status
- title to the property

Some things to consider:

- it can be very difficult to save for a down payment, particularly if limited by i.e.: ODSP as to how much money you can save

- affordability of monthly mortgage payments
- affordability of monthly expenses (hydro, heat, property taxes, house insurance etc.)
- costs of ongoing maintenance and repair
- costs and/or physical demand of ongoing upkeep (mowing lawns, shoveling snow)
- qualifying for a mortgage (based on income)
- qualifying for a mortgage (based on acceptance of your ability to enter into a legal agreement)

Multiple Owners

Multiple owners is a formed partnership between two or more persons for the purpose of purchasing a house. The partnership may be formed by housemates, family members, and/or non profit agencies.

Multiple buyers home ownership generally requires you to have:

- have a down payment
- a mortgage through a bank or private lender
- enough money to pay your mortgage each month
- a contractual agreement between all the buyers

Some advantages of multiple buyer home ownership are:

- reasonable security of home (there is joint decision making)
- shared responsibility for a down payment
- an opportunity to build equity on a portion of the home
- shared choice and control over the place you live
- choice about who you live with
- pride of ownership
- first right of refusal for the shares held by others
- increases affordability of home ownership
- shared monthly expenses (hydro, heat, property taxes, house insurance, etc)

- shared maintenance and repair costs and responsibilities

Things to consider:

- joint decision making process. It can be challenging to develop a way to make decisions together
- the challenge of balancing what you want with the wants of others
- developing a contract between all buyers that outlines responsibilities and obligations
- finding partners who you trust
- it can be hard to save for a down payment
- affordability of shared monthly payments (mortgage and taxes)
- affordability of shared monthly expenses (hydro, heat etc.)
- shared costs of ongoing maintenance and repair
- shared costs and physical demand of ongoing upkeep moving lawns, shoveling snow)
- qualifying for a mortgage that is (based on acceptance of your ability to enter into a legal agreement)

Land Lease

Land lease home ownership is when the person owns the house or mobile home and a landlord owns the land that the home sits on. Land lease arrangements are often situated in mobile home or adult lifestyle communities.

Some advantages of land lease home ownership are:

- affordability
- smaller down payment
- low to no maintenance costs on the home
- an intentional community
- an opportunity to build some equity
- shared choice and control over the place you live
- the landlord is responsible for the maintenance of common areas

Things to consider:

- location (the mobile and adult lifestyle communities are often located on the outskirts of towns)
- the rules and restrictions of land lease agreements

- land lease is usually linked to an mobile housing or adult lifestyle community. We have not found much information about the possibility or feasibility of land lease agreement outside of this community ie: an individual home in a chosen neighbourhood

Jeff's Story

It doesn't seem like a big dream, to be living in a downtown apartment building with a roommate. But it is, because it means you are living a regular life.

When our son Jeff was born, we were told not to expect too much. Very little was known about autism 40 years ago. Even today Jeff is not understood by lots of people who can't imagine that there's more to him than meets the eye. But our vision for Jeff was the same as for our other sons, having friends, living in a place he liked, being happy.

Bob and I always thought Jeff would leave the family home eventually. But every birthday came and went and we just weren't comfortable with handing Jeff over to a group home, the only option there was. Then a friend started talking to us about a circle of friends. Jeff's friends have made a difference to his life. I think other people see Jeff more as a person with real interests, because he's seen with friends at different places around town.

But Jeff was getting older and still living at home. Bob and I decided to turn to Jeff's friends for help in planning for Jeff's future. The circle began to meet monthly and talk about Jeff's dreams and future living arrangements. We wanted something for Jeff that would meet *his* needs, not where he would have to fit into an agency because they have a 'bed' available. Jeff is a person with dreams and

hopes and interests and needs. He deserves better than being slotted with people he didn't choose to live with or getting moved around at the whim of someone else. But it's not so easy when you have a disability to just move out of your parent's home. You rely on the government to help fund the supports needed to lead an active life. We were told there was no funding. But we had a vision: that Jeff live in his own downtown apartment with a roommate who could provide some support.

With enough lobbying and advocating, we eventually secured enough funding for Jeff to move into his own place with a supportive roommate. We have very clear agreements with the supportive roommate about expectations and responsibilities. Jeff lived there with a supportive roommate for a few years. We wanted to make sure Jeff would never have to leave a chosen home, so we bought a condominium downtown. Jeff eventually moved in and he continues to live with a supportive roommate who shares time with Jeff and provides overnight support.

When I think about where we were 15 years ago, I am so happy for Jeff that he's living the life we believe he wants. Now he's living the vision we had for him so many years ago. We didn't settle for anything less. He lives downtown with a supportive roommate and has control and choice over how his life looks, with help, of course, from his family and circle of friends.



A role for Investors in home ownership
Community Investors through Rent to Own
Non Profit organization as an Investor
Non Profit organization as a Co-owner
Laura and Susan's Story

Other Ways to Own a Home

"A man's home is his castle."

Proverb

A Role for Investors in Home Ownership

It may be possible to involve an investor in your home buying process. Usually people get money to buy a house from a mortgage obtained through a bank or mortgage broker. When this isn't possible, turning to community investors is an option. The parties involved are bound by a legal contractual agreement. However, investors are able to be more flexible and more creative with their lending criteria.

Investors are people who will lend money in exchange for a reasonable rate of return on their money and the opportunity to invest in their community in a way that matters. Every community has community minded investors.

Who Can Be An Investor

- an individual lender
- a pool of lenders
- non profit housing trust
- service clubs
- non profit agencies
- a housing corporation

- family members including parents, sibling, aunts, cousins etc.

Benefits for the Investor

- there is value to investing in your community
- the opportunity to help someone
- make a return on your investment
- low risk investment because it is linked to property
- do not have to act as a landlord

What Can an Investor Expect?

- a financial return on their investment
- assurances that they will not have to manage the property if they are lending money
- a process for default payment/property retrieval
- not to be involved in the personal life of the purchaser
- to have comfort and security in their investment decision
- warm fuzzies for helping a fellow citizen

Non profit organizations and others interested in social housing could have a significant role in assisting people to be linked with investors. The following pages show ways different kinds of investors can be involved.

Community Investors through Rent to Own⁵

Rent to Own home ownership is a way for people with limited incomes to purchase a home without a large down payment. This can happen by entering into a *Long Term Agreement for the Sale of Land* with a community investor.

Rent to Own home ownership generally requires you to have:

- an investor who is willing to hold the mortgage until you as the purchaser have built enough equity to obtain a conventional mortgage through a bank. The experience of Burton-Hicks Homes, an investor doing these agreements for over 10 years, is that people are usually ready to go to the bank for a mortgage within five years.⁶
- a set amount of money available to pay the agreed upon monthly amount each month
- a legal contract with the Investor
- a set amount of money is paid on the mortgage each month
- no landlord/tenant relationship

Some advantages of rent to own home ownership are:

- an opportunity to build equity
- minimal down payment needed
- choice and control over the place you live and who you live with
- pride of ownership

Things to consider:

- affordability of monthly payments (mortgage)
- affordability of monthly expenses (hydro, heat, property taxes, house insurance etc.)
- costs of ongoing maintenance and repair
- costs and physical demand of ongoing upkeep (mowing lawns, shoveling snow)
- finding an investor to finance the property
- either the person with a disability or a trustee acting on their behalf will have to be willing to enter into a legal agreement with the investor

Non-profit Organization as an Investor

Like a community investor, a non profit organization can use the Rent to Own concept to support people with limited incomes to buy a home using the *Long Term Agreement for the Sale of Land*.

Non-profit organizations as investors require:

- a non profit organization to act as an investor
- the buyer(s) enter into a contractual agreement with the non profit organization
- a non profit organization can hold the mortgage until the mortgage is paid off, or the buyer can go to a bank when enough equity is built to qualify for a conventional mortgage
- a set amount of money is paid on the mortgage each month
- no landlord/tenant relationship

Some advantages of non profit organizations as investors:

- an opportunity to build equity
- minimal or no down payment needed
- choice and control over the place you live
- pride of ownership

Things to consider:

- the non profit organization often have a long term financial commitment to the person
- the non profit agency does not benefit from equity in the home
- the buyer will not have title to the property until it is completely paid for or they go to the bank for a mortgage
- affordability of monthly payments (mortgage)
- affordability of monthly expenses (hydro, heat etc.)
- costs of ongoing maintenance and repair
- costs and physical demand of ongoing upkeep (mowing lawns, shoveling snow)
- finding an investor to finance the property
- either the person with a disability or a trustee acting on their behalf will have to be willing to enter into a legal agreement with the investor

Non-profit Organization as a Co-owner

Sharing ownership of a home with a non profit organization is another way for people with low incomes to purchase a home. Both the person(s) and the non profit share title on the property.

Co-ownership with a non profit organization requires:

- a non profit organization to provide the down payment
- payments are tailored to the person and how much they can afford
- the buyer may own a percentage of the property based on ability to pay and the non profit will own the rest
- the buyer enters into a contractual agreement with the non profit organization
- a non profit organization holds the mortgage or guarantees a bank mortgage
- a set amount of money is paid on the mortgage each month by both the non profit and the buyer(s)

Some advantages of non-profit sponsored co-ownership:

- an opportunity to build equity for both the buyer and the non profit organization

- the buyer does not need a down payment
- choice and control over the place you live
- pride of ownership
- matching of ability to pay and the percentage of ownership in a home
- shared costs for ongoing maintenance and repair
- non profit organization will be able to use equity to assist someone else to own a home
- buyer will build equity in the home
- shared title on the property

Things to consider:

- need for clarity and agreement on how decisions will be made ie: ongoing maintenance and repairs
- if the non profit organization also provides support services to the individual buyer, there may be conflicts in decision making that affect the co-ownership agreement or the arrangement the buyer has made with the agency about support services
- both the person and the non profit organization need a clear agreement about how they would end the arrangement if either party wanted out

Laura and Susan's story

It is a hard thing for a mother to know that your daughter is unhappy. My daughter Laura was living in a subsidized apartment in a small city. For her, this was not a good fit. Laura is a young woman in her late twenties. Most of the other people living in her building were in their seventies. The only thing they had in common was their need for affordable housing.

Knowing Laura and seeing her so unhappy made me think about housing in a different way. I had recently attended a workshop called "Home Sweet Home" that identified ways in which people with a disability could own their own home. I started thinking of it not as just a place to live, but as a place that Laura could call home. A place where she felt secure, in a welcoming neighbourhood, and living with people who care about her. After many discussions with community members, we found that person. Actually, we found an entire family. Susan and her family were also looking for a place to call home. They had known Laura for many years as they share their place of faith.

The whole idea of Laura sharing a house with a family became a bit overwhelming. We had to figure things out in a way that made sense to us.

Things we knew:

- The house needed to be wheelchair accessible
- We needed to have at least three bedrooms
- The house had to be affordable
- We wanted an agreement about the support that Laura needs
- We needed some private space for everyone
- We had to build a spirit of cooperation and success. There are a thousand things that can go wrong. But in relationship and commitment, there are a thousand things that can go right.
- Laura was eligible for rent supplement/subsidy
- Laura is eligible for renovation funding on existing homes
- No one has money for a down payment

Things we needed to know:

- How to buy a house without a down payment
- How to find a non profit to support our idea
- What contracts were necessary to co-purchase a house
- What is a fair way to determine what share of equity everyone has in the home
- How to address the fact that we had a gap in funds. In our community, the amount that Laura and Susan could afford would not buy a wheelchair accessible house or a house renovated to be wheelchair accessible

What we found out:

Support

Laura would be able to transfer her Ministry of Health funding for personal support to her new home.

Susan and her family will be offering ongoing support to Laura by the very nature that they are housemates.

Partnerships

We approached an investor about funding our house. Through this investor we were able to find a suitable house. In about five years, we will likely build enough equity to approach a more traditional lender about holding a mortgage. This particular investor worked with other investors, including a non profit organization, to have enough money to purchase the house we needed.

Rent Subsidy

We discovered that when someone is eligible for rent subsidy, they cannot be owners of a home. Without the subsidy, Laura could not afford the monthly payments. The alternative was for me, as her mother, to enter into the Long Term Agreement for the Sale of Land with Susan and the investor. By doing this, Laura will still be eligible for the rent subsidy, and in turn would pay rent to her mother as the co-owner of the house. Over the course of the years, as the monthly payments lessen and Laura can afford her share of the payments on her ODSP, she will no longer require rent subsidy.

A Place Called Home

It is in this way that Laura and Susan have a house to call home. This property will be there forever. It has been a creative process, built in the spirit of community, relationship and trust.

Security of Home without Ownership

"A comfortable house is a great source of happiness. It ranks immediately after health and a good conscience."

Sydney Smith



Life Lease
Non profit co-op housing
Rental Housing
Renovating the family home
Dave's Story

Life Lease⁷

Life Lease is a long term lease that allows you the right to live in your home (usually an apartment or suite) as long as you want. A life lease enables a person to purchase an interest in both the property and their apartment. This allows for the right to occupy the unit and use all the communal amenities. Most life lease communities in Ontario are sponsored by non-profit or charitable groups. Some, but not many, are joint ventures between charitable groups and private developers.

Some advantages of life lease are:

- maintenance paid for by a monthly fee
- long term security
- potential equity growth
- predictable lifestyle
- history of having a solid return on your investment
- sense of community
- knowing your neighbours
- they are often linked with health care services that can respond to changing needs

Things to consider:

- many communities have minimum age requirements of 55+
- the concept may be better tolerated in smaller communities than in larger ones
- there is an economy of scale that happens because of the size of the projects. Life lease options are linked to a housing community. There is not much information or experience in doing life lease for just one or two persons in a location that does not have a concentrated population
- the life lease is not usually eligible for a bank mortgage because you do not own the property
- the sale of a life lease is subject to market value and demand. If the market value of local real estate increases so does the value of the life lease interest
- the sponsoring non profit corporation must approve the future sale or transfer of a life lease

Non-profit Co-operative Housing⁸

Sometimes, Co-operative housing is confused with rental housing. There is a difference. One of the main differences is that there is no landlord/tenant relationship in Co-operative housing.

Some advantages of non profit Co-operative housing⁹ are:

- people who live in a Co-op are members of the Co-op, not tenants. Each member has one vote and every year, a Board of Directors is elected from the membership
- there is no landlord. Members share decision making about maintenance and upkeep of the Co-operative
- members run the Co-op. Members elect a Board of Directors to manage the business. Members live and abide by the laws that are developed
- not having to worry about excessive rent increases. Co-operative housing corporations are non profit organizations,

therefore housing charges reflect actual expenses

- Co-operative housing is secure. Members often live in the cooperative community for a very long time
- participation in community. Co-operative members can form deep roots in the community. The Co-op will never be sold for profit. This encourages involvement and commitment to the Co-operative housing community and its members
- good quality, modest, affordable housing. Co-operatives offer rent geared to income on some of its units

Things to consider:

- the units in non profit Co-operative housing are not individually owned
- instead of rent, members pay a monthly housing charge to cover all costs. Charges rise as costs increase
- the Co-operative builds equity in the homes but individuals do not profit from that equity
- the process of shared decision making

Rental Housing

Rental housing is the ability to use a property (house, apartment, condo etc) in exchange for a monthly fee or rent.

Some advantages of renting are:

- no maintenance costs
- known monthly expenses
- flexibility to move
- property may be owned by family or friends

Things to consider:

- no equity is being accumulated
- difficult to find appropriate affordable and/or accessible housing
- lack of security because a landlord can raise the rent, sell or evict

Many people with a disability receive below average incomes either through their pension (ODSP) or through employment.

Rent subsidies¹⁰ may be available in order to assist with rental costs. Options have included:

- subsidy to the landlord
- subsidy attached to housing
- subsidy attached to the person

More information is available from your Municipality.

Subsidies and how they are implemented varies between municipalities.

Renovating the Family Home¹¹

Renovating the family home to create a separate living space for an adult family member is an option that some people feel is right for them. It allows the person and family members to have their own space and it allows for a degree of independence.

Options have included:

- subsidies that are available to a landlord
- subsidies available to family members of adult children

Government grants have been made available to assist with the renovations. (see Appendix A)

Dave's Story

(as told with the help of Muriel)

A few years ago Dave's dad moved to a nursing home. His Mom needed to move to a smaller apartment with no stairs. Dave liked life the way it was, but knew it was time for him to move on.

At the time Dave and his family lived in city housing and Dave asked if his home could be renovated to meet his needs. He liked his neighborhood, but there were some problems with his home. Dave could not use his bathroom and needed to shower and bathe elsewhere. Dave and a Community Living Association representative met with the local city housing office to ask if they could look into the possibility of renovating the home for Dave. It was a two story wartime house and because of the layout, there was no way it could be renovated for accessibility.

In the spring of 2003, with help from others, Dave began to plan a move to a new home. The local city housing department understood Dave's needs and recognized that accessible housing was a huge problem for people living in his home community. They were willing to work with Dave and the Community Living Association to see if an accessible home could be built to meet Dave's needs and

that the city would be able to subsidize. We discussed the financial guidelines that had to be considered in order to apply for subsidized housing. Dave was soon informed that he qualified.

We weren't successful in finding anything that could be renovated to suit Dave's needs. We started to look for a builder to build an accessible home. An Occupational Therapist was hired to help with designing the home. She had discovered a builder in the United States who was building "Zero" Level entry homes and convinced a local builder to use the design. Dave thought it would be wonderful to be able to enter his home without the use of a ramp or lift. Dave reviewed the plans and said "It looks good to me," so things began to move forward.

The Community Living Association had worked with a builder in the past who was interested in building a duplex. One side of the duplex was to be accessible for Dave and a roommate, and the other side would be for someone who would provide overnight assistance if needed.

The next step was finding an investor. The first person we spoke to was very interested but said that at the time he had all his money tied up. He asked if we would consider working with another investor. He suggested a friend of his who he assured us was a "good guy" and suggested that he would act as a backer for him if there were any problems. Things were moving along.

In June of 2003 Dave received word that he had the support funding necessary to move forward. There was nothing stopping him now!

The next step was to find property. The Community Living Association contacted a real estate agent. They knew from past experience that real estate agents have an inside track on property. Finally a property suitable and zoned for a duplex came on the market and was purchased by the agent. The Community Living Association set up a meeting with the real estate agent, the builder, the investor and Dave. The meeting was in July, the property was to be available in October and construction to be completed in January. Dave got a copy of the plans for the duplex and took them home to share with his Mom. Everyone was very excited and ready to move forward. All Dave had to do now was find a roommate, find a family to live in the other side of the semi and hire new workers.

He was up to the challenge and had lots of fun with this. Dave made many suggestions for roommates and interviewed a few who were interested in sharing his new home. Eventually Dave asked Matt to move in. Matt accepted.

Dave enjoyed meeting with families who were interested in living in the other side of the semi. He chose a young couple, Brian and Sara to be his neighbours. The Community Living Association met with Brian and Sara to work out an

agreement for a rent subsidy to compensate for their commitment to be available to provide assistance during nighttime hours.

The next step was to hire staff. David and someone from the Community Living Association interviewed a few candidates. Dave helped make decisions about his new workers.

Dave moved into his new home in January 2004. Soon after he settled in he bought a cat and hosted a giant Open House!



Homes held in Living Trust
Homes held in Discretionary Trust
Homes held by Community Trust
Michael's Story
Story of Guelph Services for the Autistic
Story of Mississauga Homes for Independent Living

Using Trusts to Protect Security of Home

*"The ache for home lives in all of us,
the safe place we can go as we are."*

Maya Angelou

Using Trusts to Protect Security of Home

Security of home for the person who has an adequate income and is able to buy their home is rather straight forward. However, some people do not want the responsibility of home ownership. Others are unable to enter into the contractual agreements necessary to hold a mortgage, or do not have the financial means to purchase a home. This does not mean that long term security of home is not important. It does mean that families are finding ways to provide long term security of home to their sons and daughters as they become adults. They are considering what their role should be in home ownership, including:

- some families are leaving the family home to their child who has a disability
- siblings are purchasing a home for their brother or sister then renting it to them
- families are forming partnerships and purchasing a home for their children to live in as housemates

With the advice from an informed lawyer, it is possible for families to figure out ways to hold a house in trust for their son or daughter.

The information in this section is not intended to take place of advice from legal representation. It is intended to open the door of possibility and have families begin to think about and discuss what their role may be in assisting with and creating security of home.

Homes held in a Living Trust¹² (Intervivos)

Often trusts are thought of as something people leave to others after they die. Intervivos, which is also known as a Living Trust, allows for a trust fund to be established during the lifetime of the parents or siblings. This living trust allows for families to hold an asset on behalf of another person.

This trust fund can be set up at anytime. With the advice from an informed lawyer, it is possible for families to figure out ways to hold a house in trust for their son or daughter.

The trust fund is maintained by appointed trustees. The trustees can hold a home in trust for the person with a disability. They act on behalf of that person. Often one or both of the parents can act as the trustees.

Some advantages of using a Living Trust include:

- the trustees can be family members who can act as decision makers

- it can be set up while the parents are still living
- it can flip to a discretionary trust once the parents are no longer living
- the person with a disability can rent the property from the trust
- ensures security of home
- allows the set up of long-term property management

Some things to consider:

- the trust has ongoing expenses related to its maintenance. (accounting, legal etc.)
- the trust needs to be renewed at least every 21 years
- having the initial money to buy a property
- the rent the person with a disability can afford may not initially cover the whole mortgage and expenses of the home
- choosing trustees is a very important decision
- there is no legal recourse if the person with a disability disagrees with the trustee

Homes held in a Discretionary Trust¹³

It is possible to use a Discretionary Trust as a way to leave a home to a family member. It can only be used once the parents are deceased. The Discretionary Trust has appointed trustees. Often the trustees are siblings or other family members. The trustees manage the day to day expenses of the home.

Some advantages of a Discretionary Trust are:

- person with the disability receives part of the estate by having a home to live in and this does not affect ODSP income
- peace of mind for the family knowing their son or daughter will always have a home
- trustees can be family members or trusted others
- offers security of home
- it can be an opportunity to invite others in to the process of planning for a person with a disability and their future

Some things to consider:

- it only can be used once the parents are deceased
- siblings role in the planning process
- there would have to be enough money set aside to maintain the house
- choosing trustees

Homes held by a Community Trust (Non profit housing trust)

There are examples of communities establishing non profit housing trusts as a way to help people to obtain secure housing. The Community Trust has a Board of Directors who manage the day to day expenses and care of the home.

Some advantages of forming a Community Trust are:

- community members can donate to the trust
- it allows people to purchase a home who otherwise would not be able to
- it allows the funds to be dedicated to housing for people with a low income
- it enables a long term relationship with investors
- it enables partnerships with non profit groups

Things to consider:

- establishing a Board of Directors
- incorporating the group
- engaging in a public awareness campaign

A Safe and Happy Life for Michael

Our son has significant physical needs and some intellectual disabilities. This is our story about our son Michael and our journey to find a safe, secure and affordable place for him to call home.

The Beginning

As Michael's parents, it became clear to us that if we should suddenly die, our son would end up first in a chronic care ward of our local hospital, then be moved to a nursing home. This was not the future we had envisioned for him, nor was it the life he wanted for himself.

Options

This inspired us to look at housing options for Michael. He was adamant that he did not want to live in a group home. We helped him to apply for accessible, geared to income housing. He was put on a wait list. We began to look at other options.

Our daughter was looking at buying a condo or townhouse. We talked to her about pooling our resources to buy a raised bungalow. We would convert the basement into a fully accessible apartment. Both of them could have better accommodations than either of them could afford alone.

The Renovations

Grants are available for accessible renovations. This required certification that there is a medical need. This was no problem.

With the medical certification completed, we could now approach our local municipality. This grant is geared to the family income. The combined income of our daughter and Michael's ODSP income were added together. They did not qualify.

The Landlord Accessibility grant is available to landlords to assist them with costs of making apartments accessible. Michael's sister did not qualify for the grant because their relationship was not seen as "arms length"

Because Michael was moving from an accessible home to a non accessible home, he did not qualify for March of Dimes funding.

As family, we did the renovation ourselves.

Support Services

In order to live in his new home, Michael needed support. At the time, it was not possible for Michael to keep his Special Services at Home funding (workers) when he moved to his apartment.

After much effort, we received a 12-15 hours a week through a supported independent living program (SIL) with the local Community Living organization. As well we had 21 hours of attendant care support from the Ministry of Health.

Oops!

Michael's sister fell in love, got married and moved. We knew we wanted to keep the house. We thought we would rent out the upper portion of the house to a family who would supply supervisory and emergency support for our son.

The Problem

If we bought the house in our son's name, he could own it, but he couldn't afford the payments on his ODSP income. However, if he rented the upstairs then ODSP would deduct 60% of that rental income from his ODSP cheque. Then he would not be able to afford his share of the costs.

If we (his parents) bought the house and rented it to our son and the tenants, then Michael's ODSP would not be affected. However, we would have to claim this income and pay income tax on this money. Over a 15 year period, this would cost us between \$45,000 and \$60,000 in income tax. This does not include the probate fees and capital gains tax on the house when we died.

What We Did

We purchased a house within an Absolute Discretionary Trust. The trustees own the home and collect rent from both tenants. The trust pays the mortgage, property taxes, utilities and repairs on the home. The principal portion of the mortgage payment and any net profit from the rental property is treated as re-invested income and for income tax purposes is taxable either to the trust or attributed to our son for inclusion on his income tax. Every adult has a basic exemption of over \$8,000.00. This re-invested income is not supposed to be included as income when ODSP calculates eligibility criteria. If the net profit sitting in a bank account is used for disability related items, (education, leisure, equipment etc.) then these payments attribute to the child for income tax purposes but not for ODSP purposes. As long as the beneficiary of the trust lives in the home, the home qualifies as a principle residence and no capital gains accrues. There are exceptions so we suggest that you check this as it applies to your own situation.

Today and Tomorrow

Eventually, the mortgage will be paid off; there should be rental income coming in and very little expenses. We were successful in getting a positive response from ODSP regarding an Absolute Discretionary Trust (Henson Trust) owning a home and renting the home to tenants -- including the beneficiary of the trust (our son).

The beneficiary of the trust (our son) receives full ODSP payments, including shelter payments. The rental income collected from the trust will not attribute to the beneficiary (our son) for the purposes of income when he reports income to ODSP. As well, the trust can use any net profit from the rental unit to pay for any disability related costs without affecting the ODSP eligibility. This means that net rental income can be used for accessible motor vehicles, accessible recreational activities, respite support workers, etc. In our scenario, the trust is collecting rent from the upstairs tenants and our son (the downstairs tenant). We are paying the upstairs tenants a per diem rate to offer supervision, emergency support, laundry, housecleaning and food preparation -- we are receiving an amount through our local community living which we use to fund the payments to the upstairs tenants. Under the income tax rules, this payment qualifies as foster care and is exempt income for income tax purposes -- a real bonus for the upstairs tenants (but please have them check this with their own accountant as you may not be aware of their complete financial situation).

If your child qualifies for the disability credit, then they had an income tax free zone of \$15,444 in 2005. Because of the increased deductions for people with disabilities, the disabled person can have taxable income (in our case from the trust) of up to \$15,444 (2005) and pay no income taxes on it. This means the net rental income (after utilities,

mortgage, etc.) can be attributed to our son for income tax purposes and he will pay no tax AND it will not reduce his payments from ODSP.

Outcome

Our son has a safe, secure, and affordable place to live. He gets to be independent and have the support and supervision he needs. Michael is very happy in his new setting and we know that if we died tomorrow, he could enjoy the rest of his life -- what a wonderful gift for us!

Story of Guelph Services for the Autistic¹⁴

Guelph Services for the Autistic (*GSA*) is a charitable non-profit corporation formed in August 1980. In 1997-98, *GSA* redefined its focus, becoming a housing trust for people with autism. The goal is to allow adults with autism to live more fulfilling, happier and more productive lives in homes of their own. Adults with autism can become active members of *GSA*. *GSA* helps them to make choices about their lives, and in particular with decisions about with whom they will spend their time and share their homes. *GSA* has taken on this role in response to the move toward person-centred planning and individualized funding, both of which are attempts to improve the quality of life for people with disabilities while making the best possible use of community resources. *GSA*'s roles include supporting the families and friends of adults with autism in:

- Purchasing properties
- Negotiating financing
- Ensuring lifelong occupancy
- Ensuring proper home maintenance
- Ensuring that each homeowner has the necessary residential and other support services (both formal and informal)

- Facilitating the roles of the support clusters, networks or circles of family and friends around each person (including the incorporation of entities of personal support, known as Aroha, which are like micro boards)
- Increasing community awareness of the capabilities of people with autism.

Story of Mississauga Homes for Independent Living¹⁵

Mississauga Homes for Independent Living (MHIL) exists for the purpose of promoting home ownership by acting on behalf of persons labelled as intellectually disabled. The word "home" is understood to include any living unit, whether a house or condominium. MHIL does not envision a single model as the most appropriate way in which people can have homes of their own. Several different models are possible.

Some examples are:

1. The individual purchases and holds title to the home in his or her own right;
2. A family member (or members) of the individual purchases a home for him or her, with the title being held by a family member or members;
3. Two individuals or their families purchase the home (as in scenarios 1 or 2) and hold title as tenants in common (i.e. hold equal shares in the home);
4. MHIL rents a home on behalf of the individual from a third party;
5. MHIL owns a home which it rents to the individual;
6. MHIL purchases and holds title to the home, with some financial contribution from the individual and/or

the family, and enters into an occupancy agreement giving the individual (or possibly two individuals) a life interest in using the home as his or her own residence;

7. A family donates or wills a home to MHIL on the understanding that it will be home to their son or daughter with a disability for life, and after that it will be used by MHIL to provide a secure home for another person or persons who are labeled intellectually disabled. Because MHIL is a charitable organization, there may be tax advantages accompanying such gifts.

The portion of the equity in the home contributed by individuals and families in the sixth scenario will be a protected asset, refundable to the individual when he or she chooses to move out of the home, or to the family or estate when the individual dies.

The first three scenarios are obviously open only to those who have sufficient financial resources to make the purchase of a home feasible. There may not be a role for MHIL at all, especially where home management and maintenance can also be taken care of privately, and where there is support services available to the individual as needed. However, in some cases MHIL may be called upon to provide either home management services or to broker support services for the individual, or both.

The sixth and seventh scenarios are the ones which primarily justify the existence of Mississauga Homes for Independent Living. MHIL is intended to be a homeowner and mortgagor in the interests of those who may be unable to purchase homes in the usual manner. By "interests" we mean primarily the right to live in a particular housing unit for as long as one finds it suitable and preferable to any other that might be available, with supports that are geared to the occupant's individual needs. Under these scenarios, Mississauga Homes for Independent Living will hold title to the home, but will give a covenant to the individual assuring him or her the right to live in the home life-long, or as long as he or she wishes to live there.

Ordinarily, under scenario 6, the individual and/or the family will be expected to contribute at least twenty-five percent of the purchase price (if the home is purchased with a view to the individual living there either immediately or at a later date) or of the appraised value of the home where it is already owned by MHIL and is chosen by or on behalf of the individual to be his or her home. This contribution can be described as an interest-free loan to MHIL which is fully repayable when the individual ceases to reside in the home. In addition, individuals and/or families will be expected to contribute to the cost of maintaining the home and of servicing any mortgages on the homes where they live, primarily out of monthly allowances under the Ontario Disability Support Program. This contribution is called the

"occupancy cost". A portion of such contributions to the mortgage payments will also be credited to the individual who resides in the home, and will constitute, along with the initial contribution to the purchase price, a growing fund over the years that will enhance the individual's independence and financial security. As long as such funds are held by MHIL, they would not be regarded by government as assets in the hands of the individual with a disability, and hence would not disqualify him or her from receiving government benefits.



Appendix A

Government Program for Renovating Homes
for Homeowners and Landlords

Other Sources of Information

End Notes

Government Program for Renovating Homes for homeowners and landlords (2006)

The Residential Rehabilitation Assistance Program (RRAP) for Persons with Disabilities offers financial assistance to homeowners and landlords to undertake accessibility work to modify dwellings occupied or intended for occupancy by low-income persons with disabilities.

Who is eligible?

Homeowners may apply if:

- the value of their house is below a specified figure, and
- their household income is at or below established ceilings (limits) based on household size and area.

Landlords may apply for modifications to units if:

- the rents are at or below established levels, and
- the units are occupied by tenants with incomes at or below the income ceilings.

Assistance is also available to landlords owning rooming houses with rents below established levels. Properties must meet minimum health and safety standards.

What assistance is available?

Assistance is in the form of a forgivable loan.

For homeowners, assistance is provided for one hundred per cent (100%) of the total cost of the modifications up to the maximum loan amount for the area. Homeowners must agree to continue to own and occupy the home for the term of the loan.

For landlords, 100 percent forgiveness is available for accessibility modifications up to the maximum loan on eligible units. Landlords must agree that:

- the units will continue to be affordable to tenants, and
- in the case of rental units, new occupancy be limited to households with incomes at or below established income ceilings.

	Maximum Loan (Rental)	Maximum Loan(Homeowner/Rooming House)
Zone 1: Southern areas of Canada	\$24,000	\$16,000
Zone 2: Northern areas	\$28,000	\$19,000
Zone 3: Far Northern areas	\$36,000	\$24,000

Other Sources of Information

For Further Information on Non Profit Housing and Social Housing:

Ontario Non Profit Housing Association
http://www.onpha.on.ca/affordable_housing_initiatives/

Social Housing Strategists <http://www.shs-inc.ca>

John Sewell <http://www.johnsewell.org/housing/>

For Further Information about Life Lease

Life Lease Associates of Canada www.life-lease.com

For Further Information about Government Programs

Canadian Mortgage and Housing Corporation
www.gov.on.ca
Ministry of Municipal Affairs and Housing
www.mah.gov.on.ca

For Further Information about Rent to Own

Rent to Own Homes (RTO) Secured by *Long-Term Agreement for the Sale of Land* ~ Burton Hicks Enterprises Inc Contact Jim Henry at jhenry@quadro.net

For further information on what is happening in other areas

MennoHomes Inc. (Waterloo and area)
www.mennohomes.com

Guelph Services for the Autistic
www.ont-autism.uoguelph.ca/gsainfo_new.shtml

Brockville Association for Community Involvement
Housing Corporation and Security of Tenure
Contact Person: Betty Daly

Affordable New Homes Development Foundation
(Saskatoon)
<http://www.affordablenewhomes.ca/affordable-new-home-development-foundation.php?context>

North Bay Housing Coalition (California)
Allen, Shea & Associates
Website: www.allenshea.com

Endnotes

¹ For further information on the Ontario Disability Support Plan www.cfcs.gov.on.ca/CFCS/en/programs/IES/OntarioDisabilitySupportProgram.

² Planning ~ people with disabilities, their families and network benefit from engaging in a person-directed planning process. It is in this way that they can figure out how to live a meaningful life in community.

³ The *New Story* is a phrase that was coined by Dr. John Lord when referring to the transformation needed for people with disabilities and their families. www.johnlord.net

⁴ www.cfcs.gov.on.ca/CFCS/en/programs/IES/OntarioDisabilitySupportProgram.

⁵ Information taken from Interview with Jim Henry of Burton Hicks Homes. Contact information 519 393 6459 or jhenry@quadro.net.

⁶ Information taken from Interview with Jim Henry of Burton Hicks Homes. Contact information: 519-393-6459 or jhenry@quadro.net.

⁷ Information obtained from an interview with Malcolm Ross Life Lease Associates Canada and from the website <http://www.life-lease.com>

⁸ Information taken from <http://www.chaseo.org/what-is.html>

⁹ Information obtained from http://www.coophousing.com/development/development_programs.asp

¹⁰ Further information can be found in the document Strong Communities Rent Supplement Program Published by Ministry of Municipal Affairs and Housing http://www.mah.gov.on.ca/userfiles/page_attachments/Library/1/3062485_Strong_Communities_Rent_Supplement_Program_Guidelines.pdf

¹¹ Residential Rehabilitation Assistance Program for Person with Disabilities

¹² For more information on living trusts we suggest you seek the advice of a lawyer who has an interest in disability law

¹³ For more information on discretionary trust funds we suggest you seek the advice of a lawyer

¹⁴ Taken from http://www.ont-autism.uoguelph.ca/gainfo_new.shtml with permission from Elizabeth Bloomfield

¹⁵ Taken from Community Living Mississauga Website http://www.clmiss.on.ca/services/housing_mhil.asp