

Review of Trends, Policies, Practices and Implications of Scattered Site Housing

By Steve Barnes, Policy Analyst



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Introduction

In 2011, the Board of the Toronto Community Housing Corporation (TCHC) voted to sell 675 of Toronto's scattered site units on the open market with anticipated the proceeds of \$222 million directed toward the TCHC capital repair bill.¹ Toronto City Council vetoed this decision and instead directed Councillor Ana Bailão, Chair of the City's Affordable Housing Committee, to create a special working group to report back to Council in September 2012 on options for Toronto's scattered site portfolio. As of May 2012, Toronto's affordable housing waitlist stands at 85,088 households.²

This research was undertaken to identify trends, policies, practices, and implications of including single family homes within the portfolios of public housing authorities. The project is designed to inform the TCHC working group as they deliberate on the future of Toronto's single family homes.

This paper provides case studies of scattered site housing in Chicago and New York City and outlines the advantages and disadvantages of including scattered site housing as a component of public housing portfolios.

Scattered site housing comprises mainly of single family houses or residential buildings that include small number of units. Scattered site housing is designed to integrate into existing neighbourhoods and is usually visually indistinguishable from other housing in the neighbourhood. This type of housing is located in neighbourhoods across cities, meaning that clustering of low income populations is avoided.³

Toronto at a neighbourhood level

In recent decades, Toronto's neighbourhoods have been increasingly divided by income. Research by David Hulchanski at the University of Toronto found that Toronto can be divided into three distinct cities: City 1 is predominantly high income areas in the central city and areas close to the city's subway lines, City 2 is mainly middle income areas where neighbourhood incomes have remained close to city-wide averages, and City 3 is generally low income areas where neighbourhood incomes have fallen substantially since 1970 and are located mainly in the northwestern and northeastern parts of Toronto. Hulchanski found that since 1970, City 1 grew slightly, City 2 shrank dramatically, and City 3 grew substantially. The consequence of these changes is a city with vast and growing income divisions.⁴

Research by United Way Toronto also highlights the increased income polarization in our city. The *Vertical Poverty: Poverty by Postal Code* report found that poverty is increasingly concentrated in Toronto's inner suburban neighbourhoods. In the early 1970s, 18 percent of Toronto's low income families living in neighbourhoods where more than one-quarter of the families were low income; by 2006 this had reached 46 percent. United Way also found that poverty was increasingly concentrated in high-rise buildings: today 43 percent of low income families in Toronto rent a unit in a high-rise building.⁵ These shifts in the distribution of poverty in Toronto have contributed to people with low income being concentrated in under-served pockets of the city.

¹ Toronto Community Housing Corporation. http://www.torontohousing.ca/state_good_repair

² Housing Connections, Monthly Statistical Report May 2012, <http://www.housingconnections.ca/pdf/MonthlyReports/2012/Monthly%20Report%20-%20May%202012.pdf>

³ David P Varady and Wolfgang F E Preiser, 'Scattered-site public housing and housing satisfaction: Implications for the new public housing program'. *American Planning Association*. Journal; Spring 1998; 64, 2, p. 190.

⁴ J. David Hulchanski, Three Cities Within Toronto: Income Polarization Among Toronto's Neighbourhoods, 1970-2005, 2010. <http://www.urbancentre.utoronto.ca/pdfs/curp/tnm/Three-Cities-Within-Toronto-2010-Final.pdf>.

⁵ United Way Toronto, Vertical Poverty: Poverty by Postal Code 2, January 2011. <http://www.unitedwaytoronto.com/verticalpoverty/downloads/Report-PovertybyPostalCode2-VerticalPoverty-Final.pdf>.

The problem of concentrating poverty in particular neighbourhoods is not a coincidence. Between 1996-2006, no new affordable homes were built in 23 of the city's 44 municipal wards.⁶ While few affordable homes were built in other parts of the city, this points to a lack of planning that leads to income segregation in Toronto's neighbourhoods.

The links between income and health are well documented. There is a consistent gradient of health in which people with lower income and education, who are unemployed or in precarious or low-paid work and/or face other dimensions of social inequality and exclusion, have poorer health. In Ontario:

- Over three times as many people in the lowest income quintile report their health to be only poor or fair than in the highest;⁷
- Five times as many men and three times as many women in the lowest income quintile report their mental health to be only poor or fair than the highest;⁸
- The percentage of people with diabetes or heart disease was three to five times higher in the lowest income quintile than the highest;⁹
- The routine activities of a quarter of low income people are limited by pain, twice that of high income people.¹⁰

These differences have a significant impact over people's lives. In Toronto, life expectancy is 4.5 years less for men in the lowest income quintile versus the highest and 2.0 years for women.¹¹

Safe and affordable housing is essential to good health. Poor housing can have a direct adverse impact on health: inadequate housing can lead to increased rates of communicable diseases such as tuberculosis, infestations such as lice and bed bugs, and infections such as fungus related to damp conditions. Poor living conditions can lead to serious respiratory conditions such as asthma and chronic obstructive pulmonary disease (COPD) and research shows that the risk of severe health issues or disability can increase by 25 percent in childhood or early adulthood.¹²

Trends and policies on scattered sites as components of portfolios

This section sets out some of the key directions in the inclusion of scattered site housing as portfolio components in the United States, with case studies of Chicago and New York City.

Much of what could be considered 'affordable housing' in the US is actually private market rental accommodation. In these cases, tenants receive housing vouchers (commonly called 'Section 8 Certificates') – government subsidies that they can use to purchase whatever accommodation they choose. These vouchers were implemented following a Supreme Court ruling that concentrating public housing in poor neighbourhoods constituted racial segregation. While affordable private rental units are 'scattered', this style of housing differs significantly from the Canadian situation.

A significant proportion of scattered site housing in the United States is run by non-profit organizations that receive some kind of government funding, either through Section 8 Certificates

⁶ Wellesley Institute, *The Blueprint To End Homelessness in Toronto: A Two-Part Action Plan*, 2006. <http://www.wellesleyinstitute.com/wp-content/uploads/2011/11/TheBlueprintfinal.pdf>

⁷ Arlene Bierman, ed., *Project for an Ontario Women's Evidence-Based Report: Volume 1* (Toronto: 2009-10), Ch. 3. Self-reported health is regarded as a reliable indicator of clinical health status.

⁸ Bierman, *Project for an Ontario Women's Evidence-Based Report*, Ch 3.

⁹ Bierman, *Project for an Ontario Women's Evidence-Based Report*, Ch 3.

¹⁰ Bierman, *Project for an Ontario Women's Evidence-Based Report*, Ch 3.

¹¹ Toronto Public Health, *Unequal City: Income and Health Inequalities in Toronto*, 2008.

¹² Wellesley Institute, *Precarious Housing in Canada*, 2010. http://www.wellesleyinstitute.com/wp-content/uploads/2010/08/Precarious_Housing_In_Canada.pdf.

or direct subsidies or grants. This is particularly true of supportive housing and is consistent with the greater focus on the private rental market to address the need for affordable housing.

Many of the US jurisdictions that have scattered-site housing are relatively small cities. This is likely due to logistical challenges of operating scattered-site housing, which are outlined below. In general, scattered site programs are considered more appropriate in weak housing markets where land and housing costs are lower.

For this research we selected Chicago and New York City as case studies of scattered-site housing as components of public housing portfolios. These cities were selected because they are large North American cities with significant public housing authorities and are therefore analogous to Toronto.

Chicago

Chicago was the first city in the United States to mandate scattered site housing in 1966 as a result of a class-action lawsuit that required the city to desegregate neighbourhoods. Prior to this decision, the city's affordable housing stock was concentrated in poverty-stricken pockets of the city that were overwhelmingly black.

In 2000, the Chicago Housing Authority (CHA) launched the Plan for Transformation, with support from the U.S. Department of Housing and Urban Development. The plan, which is still in action, aims to rehabilitate the entire stock of public housing in Chicago.

Rehabilitation of all of Chicago's 2,543 scattered sites was completed in 2006.¹³ Unit conditions varied, so the CHA created site-specific rehabilitation plans and units were renovated based on need, with new kitchen cabinets, countertops, improved closet space, new bathroom sinks and fixtures, new lighting, and newly painted walls.¹⁴ Some rehabilitations also included accessibility improvements so that people with disabilities are more easily able to live in scattered site homes.¹⁵

Tenants of CHA properties are able to access an array of support services through city departments, such as job training, job placement, substance abuse treatment, education, summer programs, and day care.¹⁶ Because CHA is a large landlord – similar to TCHC – service provision barriers are overcome by having a large scattered site portfolio that creates a critical mass of properties within neighbourhoods, while still maintaining mixed income communities.

The Chicago Housing Authority intends to continue providing scattered site housing indefinitely and is currently completing a long-term replacement reserve study for their portfolio. This study will determine the expected life expectancy of each scattered site unit and will commence planning for the development of replacement scattered site properties as required.¹⁷ CHA also acquired additional scattered sites with \$16 million in new funding during the recent recession.¹⁸

Since the Plan for Transformation began, CHA has reduced its number of staff from more than 2,600 to fewer than 500. CHA now focuses on its primary responsibility as an asset manager and contracts with private professional property management firms to manage properties.

Chicago prioritizes neighbourhood development and connections in their management of scattered site housing. Applicants for public housing who are placed on the Community-Wide Wait List or the

¹³ Chicago Housing Authority, *FY2010 Moving to Work Annual Plan (Revised)*, October 2009. http://www.thecha.org/filebin/pdf/mapDocs/Revised_FY2010_Annual_Plan-HUD_Approved_Version.pdf.

¹⁴ Chicago Housing Authority, *FY2006 Moving to Work Annual Plan*, October 2005. <http://www.thecha.org/filebin/pdf/FY2006-Annual-Plan.pdf>.

¹⁵ Chicago Housing Authority, *Amended FY2011 Moving to Work Annual Plan*, October 2010. http://www.thecha.org/filebin/pdf/mapDocs/FY2011_MTW_Annual_Plan-Amended.pdf.

¹⁶ Chicago Housing Authority, *Amended FY2011 Moving to Work Annual Plan*.

¹⁷ Chicago Housing Authority, *Amended FY2012 Moving to Work Annual Plan*, March 2012. http://www.thecha.org/filebin/procurements/CHA_Amended_FY2012_Annual_Plan_HUD_Approved_3.28.12_final.pdf.

¹⁸ Lawrence J. Vale & Erin Graves, *The Chicago Housing Authority's Plan for Transformation: What Does the Research Show So Far?*, June 2010. http://web.mit.edu/dusp/dusp_extension_unsec/people/faculty/ljv/vale_mac-arthur_2010.pdf.

Community Area Wait List select a geographic area in the city in which they would prefer to live.¹⁹ Fifty percent of available units in each neighbourhood are offered to people on these waiting lists.²⁰ This allows applicants to remain in neighbourhoods in which they have family and other important social and economic connections.

Evaluation of the Plan for Transformation shows that its success has been mixed. The Plan aimed to de-concentrate poverty by moving people out of large social housing complexes, but many of the scattered site units in the CHA portfolio are located in relatively poor neighbourhoods – but not the poorest neighbourhoods. Very few developments are in wealthy neighbourhoods.²¹ This suggests that poverty is still concentrated in pockets across the city.

CHA has also been criticized for its policy of requiring tenants who live in scattered site housing to participate in paid employment for at least 15 hours per week.²² This requirement has proved to be difficult for many tenants, especially during the recent recession, as many are precariously employed and lack job security and employment benefits.

New York City

In New York City, as in many US jurisdictions, the majority of scattered site housing units are private market rental units that are leased to tenants who receive housing vouchers to help them to cover the cost of market rents. There are also numerous non-profit providers that receive government funding to run scattered site supportive housing across the city.

Beginning in 2001, New York City began directly providing scattered site housing in the form of private rental apartments and hotel rooms. This was in response to demand for shelter that significantly exceeded demand as the homeless population increased and the city faced significant community opposition to building more shelters. Local law requires that the city provide shelter on the same day to anyone who requests it.

In 2003, the Mayor of New York City, Michael Bloomberg, announced that this scattered site program would be progressively wound down.²³ The program was criticized for being too expensive (the city paid an average of \$2,900 per month for each family it housed in private market accommodation) and for providing substandard accommodation. The phase-out of the program was part of a shift from paying per diem rates for shelter to more stable and affordable contracts with housing providers.²⁴

In 2005, Mayor Bloomberg and Governor George Pataki entered into a new affordable housing agreement: NY/NY III. Under this agreement, the two levels of government committed to fund and develop 9,000 new supportive housing units between 2005-2015 for homeless singles and chronically homeless families.²⁵ 2,750 of the units are scattered-site, all of which are managed by non-profit providers. Initial results show that the scattered-site units were delivered almost on target, whereas the congregated, larger buildings are substantially behind schedule.²⁶

Pathways to Housing, a non-profit organization, developed the innovative Housing First model in

¹⁹ Chicago Housing Authority, *Amended FY2012 Moving to Work Annual Plan*.

²⁰ Chicago Housing Authority, *FY2006 Moving to Work Annual Plan*.

²¹ Vale & Graves, *The Chicago Housing Authority's Plan for Transformation*.

²² Vale & Graves, *The Chicago Housing Authority's Plan for Transformation*.

²³ New York Times, *City to Phase Out Scatter-Site Apartments for Homeless Families*. <http://www.nytimes.com/2003/05/20/nyregion/city-to-phase-out-scatter-site-apartments-for-homeless-families.html>.

²⁴ Office of the Mayor, *Michael R. Bloomberg and Comptroller William C. Thompson, Jr. Announce Initiative to Increase the Use of Contracts with Existing Homeless Facilities*, October 2, 2003. http://www.nyc.gov/portal/site/nycgov/menuitem.c0935b9a57bb4ef3daf2f1c701c789a0/index.jsp?pageID=mayor_press_release&catID=1194&doc_name=http%3A%2F%2Fwww.nyc.gov%2Fhtml%2Fom%2Fhtml%2F2003b%2Fpr274-03.html&cc=unused1978&rc=1194&ndi=1.

²⁵ New York State Office of Alcoholism and Substance Abuse Services. <http://www.oasas.ny.gov/housing/initiatives/nyny3.cfm>.

²⁶ New York City Independent Budget Office, *After Four Years NY/NY III Pact has Produced Less Housing than Planned*, February 2010. <http://www.ibo.nyc.ny.us/iboreports/nyny3feb92010.pdf>

New York City to support people who are homeless and have mental health issues into scattered site apartments. The principle of Housing First is that the top priority should be ensuring that people in need have a place to live and then supportive treatment services should be provided. Since Pathways to Housing was founded they have expanded to provide services in Burlington, Vermont; Washington DC; and Philadelphia, Pennsylvania, and have housed nearly 2,000 people, 85-90 percent of whom have remained housed.²⁷

Other innovative non-profit providers include the Coalition for the Homeless, which runs a scattered-site housing program for homeless people living with HIV/AIDS. This organization provides permanent housing, social services, and intensive case management. Case managers assist clients to receive appropriate health care and benefits, accompany them to medical visits when necessary, and help with tasks like grocery shopping if required.²⁸

New York City also supports affordable home ownership. When a landlord is unable to pay their property taxes, the city can in some cases take over the ownership of the building in question. The Tenant Interim Lease Program is designed to assist tenants in these buildings to become the building's owners through co-operative tenants' associations. The program, run through the Department of Housing Preservation and Development, allows tenant association to sign an 11-month interim lease with the City. This lease gives the association the authority to collect rents and run the building and obligates the association to improve the building.²⁹ At the end of the process tenants are able to purchase the cooperative interest for \$250 per unit.³⁰

Implications of scattered site housing

Advantages

Integrated communities

One of the key benefits of including scattered site housing in a portfolio is the benefits of socially and economically integrated communities. It is well documented that higher-density social housing projects tend to create pockets of poverty within neighbourhoods. Scattered site housing avoids this problem by ensuring that people with lower incomes are able to live in a wide range of neighbourhoods. Scattered site housing also tends to have the same architectural styles as other homes in the area and therefore blend into neighbourhoods.³¹

Evidence from the United States shows the success of scattered site housing programs when measured by tenant satisfaction. Results show that:

- Tenants in scattered site housing feel more welcome and at home than they did in congregate housing;
- Tenants are satisfied with access to shopping and public services;
- Parents expect living in scattered site housing to benefit their children owing to positive neighbourhood factors; and
- Tenants are not socially isolated in their neighbourhoods.³²

²⁷ Pathways to Housing, Annual Report 2011. http://www.pathwaystohousing.org/files/Annual_Report_2011.pdf.

²⁸ Coalition for the Homeless. <http://www.coalitionforthehomeless.org/programs/scattered-site>.

²⁹ Urban Homesteading Assistance Board, Inside TIL: A Guide to the Tenant Interim Lease Program. http://www.uhab.org/sites/default/files/doc_library/Inside_TIL_A_Guide.pdf.

³⁰ New York City Department of Housing Preservation and Development. <http://www.nyc.gov/html/hpd/html/developers/til2.shtml>

³¹ Varady & Preiser, 'Scattered-site public housing and housing satisfaction'.

³² James Hogan, Scattered-Site Housing: Characteristics and Consequences, US Department of Housing and Urban Development, September 1996, p. XVI.

A 2010 TCHC consultation with scattered site housing tenants found that they felt pride in their homes and were happy to live in the single family home portfolio rather than in multi-residential sites.³³

Scattered site housing can also be a beneficial arrangement for the provision of supportive housing. Research shows that scattered units can help to facilitate addiction recovery because residents are able to live more independently and are not as easily impacted by the actions of others with similar conditions living in close proximity.³⁴ The Ottawa branch of the Canadian Mental Health Association also found that scattered site condo units have been especially successful in facilitating the integration of people with mental health issues into the community.³⁵

Neighbourhood development and empowerment

Scattered site housing can provide a critical lever for neighbourhood development and empowerment. When non-profits own or manage scattered site housing, each one often concentrates their sites within particular neighbourhoods. Therefore when scattered sites are used as supportive housing for people with high needs, service providers are able to establish a strong physical presence in many neighbourhoods and are therefore able to extend their reach and service coordination, leading to better service provision.³⁶

Many non-profit providers also include community development as part of their mandate. This can translate into improved ability to lobby and advocate on behalf of under-served neighbourhoods.³⁷

Scattered housing also results in lower concentrations of affordable housing units within individual neighbourhoods and communities, thereby lowering the risk of tensions between residents and neighbours. Evidence suggests that scattered site housing has no adverse property valuation effects on neighbouring properties and that property values may improve as a consequence of improvements to the area's housing stock.³⁸

Ease of development

One of the major barriers to establishing affordable housing is the complexity and expense of developing properties. This is especially true of large congregate housing developments that require extensive capital financing and often face neighbourhood and community opposition.

Depending on the housing market, the cost of acquiring and rehabilitating small properties as part of a scattered site portfolio may be less than acquiring land and constructing a new multifamily project. Scattered sites require significantly less capital funding than congregate sites. Neighbours also tend to have fewer objections to a handful of smaller affordable housing units rather than a single large development.³⁹ This means that scattered site units can be completed more quickly and are therefore a good option for providing affordable housing when demand significantly outstrips supply.

³³ Toronto Community Housing Corporation, *Report on the Status of Tenant Engagement Consultations in the Single Family Housing Portfolio*, April 2010. http://www.torontohousing.ca/webfm_send/6362/1?#.

³⁴ Canada Mortgage and Housing Corporation, *Homelessness, Housing, and Harm Reduction: Stable Housing for Homeless People with Substance Use Issues*, July 2005. <http://www.cmhc-schl.gc.ca/odpub/pdf/65088.pdf?lang=en>.

³⁵ Canada Mortgage and Housing Corporation, *Homelessness, Housing, and Harm Reduction*.

³⁶ Kat Aaron, 'Tackling the Challenge of Scattered-Site Rentals', *Shelterforce*, Winter 2011, http://www.shelterforce.org/article/2640/tackling_the_challenge_of_scattered-site_rentals/.

³⁷ Kat Aaron, 'Tackling the Challenge of Scattered-Site Rentals'.

³⁸ James Hogan, *Scattered-Site Housing*, pp.160-164.

³⁹ Chandler, Benson & Klein, 'The Impact of Public Housing'.

Disadvantages

Logistics and management

Logistics and property management are cited as the two most common barriers to scattered site housing. Having sites spread across wide geographic areas makes management more time consuming, complex, and costly than having a large number of units congregated together.

Scattered site housing is often acquired by housing authorities in an *ad hoc* manner. This is partly due to the comparative ease of converting scattered site units into affordable housing in times of high demand. This can, however, cause logistical difficulties in the management of these properties. Units seldom have the same chattels and fittings, which mean that when repairs are required a repair person must first visit the home to determine what kind of fitting is appropriate, go to purchase the fitting, and return for installation. This does not necessarily all occur on the same day, which means repairs may be delayed. It may also be more costly to purchase individual fittings as required rather than benefiting from economies of scale.⁴⁰

A compounding challenge is the travel between locations that is required to carry out maintenance, in addition to general property management. Many housing providers find that travel between locations is time consuming and expensive. Travel also makes regular preventative maintenance difficult as time is lost on the road and it is not always feasible for all required tools and parts to be carried in a single vehicle. Some scattered site housing providers in the United States have found that contracting out property maintenance services is the easiest way to overcome these challenges.⁴¹

Some providers of scattered site housing also find it challenging to manage tenant issues remotely. Some landlords prefer congregate units because they can take a more hands-on and visible role within the building and can address issues with tenants as they arise. Scattered sites can also make responding to emergencies difficult.⁴²

When TCHC consulted with residents of single family homes in 2010, many residents cited concerns with the condition of their homes and general poor responsiveness to repair calls. Residents complained that even when repair staff responded, problems often could not be solved in a single visit and multiple visits from different contractors were often required.⁴³ This reinforces the arguments above about the logistical difficulties of managing scattered sites, especially when there are variations in the fittings in each residence. A lack of standardized maintenance materials leads to operational inefficiencies.

Barriers to service provision

Logistical issues regarding scattered site housing may also provide barriers to service provision for people living in supportive housing. One of the benefits of congregate housing is that social service providers can be located in or near the complex. With scattered site housing, on the other hand, providers must travel from location to location, creating logistical, time, and cost issues similar to those faced by landlords. People living in scattered site housing may also not receive the care that they need as neighbours may not know the kinds of supports they need and may be less likely to call

⁴⁰ The Enterprise Foundation, *Developing and Managing Scattered-Site Rental Housing*, 1999. <http://homelesshub.ca/Resource/Frame.aspx?url=http%3a%2f%2fwww.practitionerresources.org%2fcache%2fdocuments%2f36614.pdf&id=24165&title=Developing+and+Managing+Scattered-Site+Rental+Housing%3a+A+Complete+Overview+of+the+Skills+and+Finances+Needed+to+Run+a+Successful+Program&owner=48&AspxAutoDetectCookieSupport=1>

⁴¹ Kat Aaron, 'Tackling the Challenge of Scattered-Site Rentals'.

⁴² US Department of Housing and Urban Development Community Planning and Development Branch, *Successful Management of Scattered Site Rental Housing in Reno*, 2011. <https://www.hometa.info/media/conf/ScatteredSite.pdf>.

⁴³ Toronto Community Housing Corporation, *Report on the Status of Tenant Engagement Consultations in the Single Family Home Portfolio*.

for help if the resident is experiencing a crisis or high-need situation.⁴⁴ However, as noted above, non-profits that run scattered site housing can overcome this barrier by concentrating their efforts in particular neighbourhoods.

Conclusions

This research report has shown that the context under which different jurisdictions incorporate scattered site housing into their affordable housing portfolios differs significantly. It is clear that the differences in context between Canada and the United States are significant, but differences are also significant even between US cities. This demonstrates that appropriate housing portfolios are based on a combination of unique and local factors, including the diversity of local need, local opportunities and partnerships, availability of funding, and other resources.

Toronto cannot simply import the practices from Chicago, New York City, or other jurisdictions because we have different local housing needs, and a different array of options for funding and other forms of support. For those reasons, a careful review specific to the Toronto housing landscape is required before the sale of the scattered site portfolio is considered.

It is notable, however, that scattered site housing is still a significant component of the affordable housing stock in major North American cities, whether publicly-owned subsidized market rentals or non-profit run. The most significant example in this research was the sizable number of scattered site units developed as part of the NY/NY III agreement – and it is also notable that these units were delivered approximately on schedule and on budget. Other North American jurisdictions, including Chicago, took advantage of the softening housing market during the recent recession to purchase scattered site housing to add to their portfolios.

While local context matters, in most cases the main benefits of scattered site housing are social. When given a choice, tenants frequently express a desire to live in scattered site housing as a way of avoiding the pockets of poverty that congregate housing can create. Improvements in service provision, including the ability of service providers to focus their work in particular neighbourhoods and to advocate for under-served neighbourhoods, are also significant social benefits.

The Chief Commissioner of the Ontario Human Rights Commission, Barbara Hall, wrote to Toronto Mayor Rob Ford, members of the Toronto City Council, and Ontario's Minister of Municipal Affairs and Housing, Hon. Kathleen Wynne, in January 2012 urging them to reject the proposal to sell TCHC's scattered site units. Ms. Hall argued that 'affordable and supportive housing should be integrated throughout Ontario's communities to avoid "ghettoization". When designing housing projects, steps should be taken to integrate more affordable forms of housing into the broader community'.⁴⁵ This highlights the rights of people with low income to have housing options and the social benefits of scattered site housing.

The increasing income divisions in the City of Toronto over recent decades demonstrate the importance of having a diverse affordable housing portfolio. The growing disparities between the well-off City 1 and the increasingly low income City 3 are concerning, as is the shrinking City 2. Toronto is already exacerbating these challenges by failing to build affordable housing across all of the city's wards. Selling single family homes from the TCHC portfolio, which facilitate social integration across the city, would increase the concentration of poverty in particular neighbourhoods in Toronto.

Cost and logistical issues are the main barriers to the effective inclusion of scattered site housing in affordable housing portfolios. It is clear that without proper management, the quality of housing

⁴⁴ Canada Mortgage and Housing Corporation, *Homelessness, Housing, and Harm Reduction*.

⁴⁵ Chief Commissioner of the Ontario Human Rights Commission, Communication to Toronto Mayor Rob Ford, members of the Toronto City Council, and Ontario's Minister of Municipal Affairs and Housing, Hon. Kathleen Wynne re: sale of Toronto Community Housing Corporation scattered housing units, January 12, 2012. <http://www.wellesleyinstitute.com/wp-content/uploads/2012/02/barbara-hall-letter.pdf>.

can deteriorate. A lesson learned from other jurisdictions is that for scattered sites to be effective, maintenance and materials have to be standardized and that having a clear strategy to achieve this is critical.

This research has demonstrated that one viable option for effective management of scattered site portfolios is for them to be managed by non-profit housing providers. Once again, the key lesson is that local context matters. In the US homeowners are able to walk away from their properties if they default on their mortgage, which means that non-profit housing providers have been able to purchase scattered site units at below market rates. Options for transferring TCHC's scattered site units at below market rates to local non-profit providers should be considered.

The Chicago case study provides an example of how a public housing authority with a strategic plan that includes goals and timelines can manage a diverse portfolio that includes scattered site housing. The lack of a clear housing strategy at the federal, provincial, and municipal level means that it is difficult to identify the levers available to improve the number and quality of affordable housing stock. Perhaps the most critical lesson for the TCHC working group is that it is essential that Toronto's scattered site housing stock be managed as part of a comprehensive housing strategy.