

TO: City of Toronto Budget Committee

DATE: January 31 2024

RE: Recommendations to the 2024 Capital and Operating Budgets City Hall

Thank you for the opportunity to share TAEH's recommendations for Toronto's 2024 Capital and Operating Budgets. The Toronto Alliance to End Homelessness is a collective impact network of over 100 partners spanning across the city, all united in the vision of making homelessness in Toronto rare, brief, and non-recurring – a vision we share with the City. TAEH also serves as the non-Indigenous Community Advisory Board for the City of Toronto, co-chairs the Toronto Housing and Homelessness Service Planning Forum with Toronto Shelters Supports (TSSS) and the Housing Secretariat and works closely with City administration to support system planning and improvement.

We commend Mayor Chow for her commitment to community input into the budget proposed for 2024, and are energized by the demonstrated willingness to take bold steps towards addressing the shortfalls we experience in our communities, including raising property taxes to better address the financial needs of our City. We recognize that all orders of government must put forth the same prioritized commitment to addressing homelessness if we are to achieve our collective vision, and we look forward to continuing to work with the municipal government to advocate for Provincial and the Federal budget and policy decisions to reflect this prioritization.

While we applaud the dedicated funding in the 2024 put forward to begin the work of urgently addressing homelessness in Toronto, we propose three recommendations to improve the capacity to make urgent strides towards reducing and ending homelessness:

1. Invest in the creation of a City of Toronto portable housing benefit, targeted towards people who are at risk of or experiencing homelessness;
2. Enhance investments into prevention and diversion, including increased resource allocations towards housing stabilization and eviction prevention support programs; and
3. Increase the funding of the Multi-Unit Residential Acquisition (MURA) fund and remove the unit size cap of 60 units.

Investing in a City of Toronto Portable Housing Benefit

The Canada-Ontario Housing Benefit (COHB) has proven to be the most significant and immediate avenue for people at risk of or experiencing homelessness to access affordable housing that meets their needs. However, this funding is exhausted quickly – in 2023 the fund was spent within two months – and Torontonians are left with very few options for accessing the

increasingly unaffordable market housing space. The City allocation of an additional \$13.5M, met with a Provincial addition of \$13.08M, contributed to a significant spike in successful housing placements from the Shelter Relief Stream. Portable benefits are clearly a much-needed mitigation to the ongoing crisis of a lack of safe and affordable below-market housing options, and we need much more.

TAEH recommends that the City fund its own municipal portable housing benefit sufficient to achieve the City's targets in its Housing Action Plan for the provision of such benefits, with eased eligibility requirements and fewer administrative barriers such as a Notice of Assessment or access to the technology required to upkeep a digital account. Such a funding model would result in a more reliable program for Toronto, and a more efficient use of City resources, and could be designed to ensure that the benefit will remain within the city of Toronto to contribute to the higher-than-average cost of rental housing.

\$631M has been transferred from the Canada Housing Benefit Program to the Affordable Housing Fund as set out in the 2023 federal Fall Economic Statement, but there is no automatic annual adjustment for inflation. As a result, the current COHB is facing declining funding over time, and the City must take steps to ensure that such a portable benefit is not only maintained, but expanded to effectively serve individuals who need financial support to access housing, tied to inflation.

Stronger investments into eviction prevention and housing stabilization supports

TAEH notes that the current programs to support tenants to maintain existing tenancies are critical in maintaining affordable rental stock, and to relieve pressures to the existing shelter system. However, these programs that safeguard tenants from eviction from affordable housing will require additional funding.

We applaud the provisions set out in Initiative 3 contained in the City's Housing Accelerator Fund to establish both a Housing At-Risk Table, and a Rental Protection and Supply Team. We also acknowledge that the plan to set up a dedicated enforcement team for the latter program, and new Eviction Prevention tools, will contribute to housing stability across Toronto. We note that there is no mention in the proposed budget for the Tenant Support Program, and that there is no increase in funding for either the Toronto Rent Bank or the Eviction Prevention In the Community (EPIC) program. We urge the City to make targeted investment in these critical supports in this year's budget.

We also commend the Community Housing Anchor Agency Supports pilot program that will serve tenants in several Toronto Community Housing Corporation buildings. We believe that such supportive housing programs are effective tools to improve aging in place outcomes for seniors. Indeed, wrap-around supports of all types are integral to maintaining newly acquired tenancies for previously homeless tenants, as well as ensuring that pre-existing affordable housing tenancies are more likely to continue. In that spirit, TAEH recommends increased funding to expand the voluntary trusteeship program and mental health crisis response supports for both new and established tenancies.

We believe that expanding the funding, scale, and scope of such supports has a multiplier effect, lessening aging, mental health and related economic pressures from resulting in evictions and the involuntary termination of affordable rental tenancies in the city. Collectively maintaining and expanding such supports stabilizes affordable rental tenancies and advances the goal of making homelessness non-recurring.

Enhanced investment into the Multi Unit Residential Acquisition program

We champion the commitment to use the Vacant Home Tax as a dedicated funding source for the MURA program and, while this is a welcome commitment, we are concerned that no such dedicated provision is set out in the proposed budget for this fiscal year. We support such minimum allocation taking place immediately.

Data suggests that the loss of existing affordable housing stock is accelerating. Where once the ratio of existing unit loss to new builds of affordable housing units was 11:1. Now the data indicates a ratio of 14:1. As such, TAEH supports an increased prioritization of stock retention, and urges the City to consider an immediate significant increase in funding for the MURA program, as well as a focus on larger buildings. Raising the cap on building size to those over 60 units, as was set out in the Contribution Agreement under the Housing Accelerator Program, is a good start, but we believe that removing the cap entirely would provide more access to larger-scale rental housing preservation efforts over the next year.

To further support the capacity for the nonprofit sector to maintain a competitive advantage to acquisition and retention of affordable rental stock, we also recommend implementing a right of first refusal policy to provide not-for-profit developers – including nonprofit and cooperative sector developers – an opportunity to leverage available funding streams to purchase buildings at risk of private, for-profit, unaffordable acquisition. Maintaining the existing stock of affordable

rental units decreases the overall economic pressures that result in renters being priced out of their existing rental units and becoming homeless.

Conclusion

The Toronto Alliance to End Homelessness commends the ongoing and strengthening commitment from the Toronto City Council and Mayor to making homelessness rare, brief, and non-recurring. We believe that the recommendations laid out in this submission will support our collective vision for a Toronto where everyone has what they need, and where safe, affordable, and accessible housing is available for everyone.

Thank you,

Savhanna J Wilson



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Toronto Alliance to End Homelessness