

Analyst Briefing Notes

Community Service Committee

(January 12, 2006)

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PART I: 2006 Operating Budget Overview

Table 1: 2006 Proposed Budget

(In \$000s)	2005		2006 Proposed Operating Budget			Change 2006 Proposed Operating Budget v. 2005 Budget		FY Incremental Outlook	
	2005 Approved Budget	2005 Proj Act.	2006 Proposed Base	2006 New Council Priorities	2006 Proposed Op. Bud.			2007	2008
	\$	\$	\$	\$	\$			\$	\$
GROSS EXP.	674,817.5	663,037.4	663,954.8	2,414.8	666,369.6	(8,447.9)	(1.3)	9,220.6	7,352.3
REVENUE	404,885.2	394,237.5	388,623.9	2,414.8	391,038.7	(13,846.5)	(3.4)	5,539.8	
NET EXP.	269,932.3	268,799.9	275,330.9	0.0	275,330.9	5,398.6	2.0	14,760.4	7,352.3
Approved Positions	688.6	688.6	690.1	3.9	694.0	5.4	0.8	0.0	0.0
Target			275,330.9						
\$ Over (Under) Program Target			0.0						
% Over / Under Program Target			0.0%						

Executive Summary

- The 2005 projected year-end net expenditure of \$268.8 million is \$1.1 million below the 2005 Approved Budget, mainly due to a decline in actual bed nights compared to budget (1,398,376 projection versus 1,588,621 budget bed nights).
- The 2006 Proposed Operating Base Budget for Shelter, Support and Housing Administration is \$663.955 million gross, and \$275.331 million net. The new services proposal of \$2.415 million gross, \$0 net, reflects a total increase from the 2005 Approved Budget of \$5.399 million, or 2 %. The 2006 Proposed Operating Budget for Shelter, Support and Housing Administration is on target, mainly as a result of the withdrawal from the Social Housing Stabilization Reserve of \$3.975 million.
- Key cost drivers include increases in Social Housing Download costs of \$2.503 million net; increases in inflationary factors of \$1.4 million net; 2006 COLA, Harmonization and Merit of \$2.092 million net; and a reduction in budgeted bed night volumes of 7% from 1,588,621 to 1,474,676, resulting in lower Provincial revenues and other shelter-related expenditure adjustments totalling \$1.145 million net.
- Two reserve withdraws are proposed in 2006 from the Social Housing Stabilization Reserve that total \$5.540 million: \$3.975 million is required in 2006 to bring the 2006 Proposed Operating

Budget to the 2006 target; and \$1.565 million is required to fund 110 Edward St. The 2007 incremental outlook of \$14.760 includes the impact of the reversal of these 2006 withdrawals.

- The 2006 Proposed Operating Budget also includes an increase of 3.9 new positions (100% funded) to assist in the administration of the Strong Communities Rent Supplement Program and to assist the homeless find permanent housing for the Street into Homes Program.

Recommendations

It is recommended that:

- (1) the Shelter, Support and Housing Administration 2006 Proposed Operating Budget of \$666.370 million gross and \$275.331 million net, comprised of the following services, be approved:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Program Support	2,119.4	2,119.4
Housing Administration	506,978.9	218,354.9
Hostel Services	119,544.0	52,631.9
Housing and Homelessness Supports	28,010.4	1,881.5
Housing Programs	9,373.7	0
Partnership Development & Support	343.2	343.2
	<hr/>	<hr/>
Total Program Budget	<u>\$666,369.6</u>	<u>\$275,330.9</u>

PART II: BASE BUDGET

Section A: 2005 Budget Variance Analysis

Table 2: 2005 Budget Variance Review

	2004 Actuals	2005 Approved Budget	2005 Projected Actuals *	2005 Approved vs Projected Actuals Variance	
(In \$000s)	\$	\$	\$	\$	% Unspent
GROSS EXP.	621,379.3	674,817.5	663,037.4	11,780.1	1.7
REVENUES	353,499.3	404,885.2	394,237.5	10,647.7	2.6
NET EXP.	267,880.0	269,932.3	268,799.9	1,132.4	0.4
Approved Positions	659.6	688.6	688.6	0.0	0.0

* Projected Actual expenditures to year-end based on (revised) 3rd Quarter Variance Report, which include reallocations of the Affordable Housing Office

2005 Experience

Third quarter year-end spending projections for Shelter, Support and Housing Administration are \$268.800 million net compared to the 2005 Approved Operating Budget of \$269.932 million net, a surplus of \$1.132 million. SSHA continues to experience a decline in bed nights, with the third quarter projections reflecting a decline in volumes of 12%, (190,245 bed nights) for the year from 2005 budgeted volumes. The decline in bed night impacts related expenditures, including shelter services, food and personal needs allowance; as well, SSHA has realized under spending in salaries and benefits of \$1.970 million. This under spending is the result of hiring delays due to the organizational realignments in the Social Housing Administration unit resulting from the Corporate Housing Review and various hiring delays in Hostel Services.

Impact of 2005 Operating Variance on 2006 Proposed Budget

The projected decrease in 2006 budgeted bed nights does not result in cost savings for 2006, as the decrease in subsidies exceeds the projected reduction in cost of the purchase of hostel services. As a result, while gross expenses are projected to decline by \$3.816 million, provincial subsidy is projected to decline at a higher level of \$4.962 million, which will result in an increase from the 2005 budget of \$1.145 million net in 2006. At September 30, 2005 Hostel Services had an 11.8 % decline in demand for hostel bed nights compared to the 2005 budget. The 2006 Proposed Operating Budget reflects a reduction in budgeted bed night volumes of 7.1% from 1,588,621 in 2005 to 1,474,676 in 2006.

The savings in salaries is not expected to recur in 2006, as all vacant positions are expected to be filled in the first quarter of 2006.

Section B: 2006 Proposed Base Budget

Table 3: 2006 Proposed Base Budget

	2005 Approved Budget	2006 Requested Base	2006 Proposed Base	Change		FY Incremental Outlook	
				2006 Proposed Base v. 2005 Approved Budget		2007	2008
(In \$000s)	\$	\$	\$	\$	%	\$	\$
GROSS EXP.	674,817.5	663,954.8	663,954.8	(10,862.7)	(1.6)	9,220.6	7,252.3
REVENUE	404,885.2	384,406.4	388,623.9	(16,261.3)	(4.0)	5,539.8	
NET EXP.	269,932.3	279,548.4	275,330.9	5,398.6	2.0	14,760.4	7,352.3
Approved Positions	688.6	690.1	690.1	1.5	0.2	0.0	0.0
NET TARGET			275,330.9				
\$ Over (Under) Program Target			0.0				
% Over / Under Program Target			0.0%				

(See Appendix A - Table 4 for Summary of Proposed Base Budget Changes From 2005 Approved Budget)

2006 Proposed Base Budget

The 2006 Proposed Budget for Shelter, Support and Housing Administration of \$275.331 million net represents an increase of \$5.399 million, or 2 % over the 2005 Approved Budget.

Shelter, Support and Housing Administration’s 2006 Proposed Budget has met the 2% target by withdrawing funds from the Social Housing Stabilization Reserve Fund of \$3.975 million to offset other base changes.

The 2006 Gross expenditures are \$10.863 million less than the 2005 Approved Budget, with Revenues \$16.261 million less than the 2005 Approved Budget. These changes are primarily the result of the following incremental changes: a \$3.600 million reduction in the Strong Communities Housing Allowance Program Toronto-Pilot; a \$7.628 million reduction in SCPI 2 Federal Funding cash flow; and a reduction of \$5.708 million in the Affordable Housing Grants cash flow; as well as the reversal of the 2005 draw from the Social Housing Reserve Fund of \$2.427 million net

2006 Base Budget Key Cost Drivers

Key cost drivers for 2006 include:

- Salary and benefit increases of \$2.092 million net; and the operating impact of capital of the Shelter Management Information System and Bethlehem United of \$0.329 million net.

- Inflationary increases for non-salary expenses, including an increase of \$1.009 million net for Purchase Service Hostels per diem costs, and increases for materials and supplies, total \$1.412 million.
- A 7.1% reduction in budgeted bed-nights volumes from 1,588,621 in 2005 to 1,474,676 in 2006, results in savings of \$3.817 million in expenditures, including shelter services, food and personal needs allowance. However, the 2006 reduction in bed nights will also result in a decrease in subsidy of \$4.962 million, creating a net pressure of \$1.145 million. This net pressure is the result of changes in the Program's case mix, a reduction in family-shelter accommodation and increased shelter accommodation for single adults. (See Issue Section for more details).
- Social Housing costs of \$6.304 million gross and \$2.504 million net that include a number of offsetting increases/ decreases in expenses and revenues, primarily due to increases in Rent-Geared-to Income (RGI) Subsidy, Toronto Community Housing Company cost factor and new benchmark funding formula increases, property taxes, provision for benchmarking, and economic factors, offset by decreases in mortgage rollovers/renewals, and an increase in GTA Pooling revenue— (See Issue Section for more details).
 - RGI subsidy is a rent subsidy which pays social housing providers and commercial landlords the difference between market rent and 30% of the tenants' gross income. This subsidy increases with market rent increases, usually the Ontario Rent Guideline increase, as there is little to no increase in tenant income. 2006 impact of \$0.958 million;
 - MAH issues a cost factor annually to be used in the formula for some of the social housing providers' subsidy. This cost factor is included as well in the formula in the amended TCHC operating agreement. 2006 impact of \$3.335 million;
 - The Social Housing Reform Act details a new funding formula for the formerly provincially funded housing providers. As part of the new funding formula, MAH was to have completed a benchmarking exercise that would establish the funding base for these providers once transferred to the city. MAH completed that process in 2005. This will impact on the subsidy for housing providers in their fiscal years beginning in 2006. The city will experience the impact of the benchmarks in the 2006 and 2007 fiscal years. 2006 impact of \$8.571 million;
 - Property taxes are required by the funding formula to be paid by the city for all providers that were formally provincially funded and for the TCHC. 2006 impact of \$3.984 million.

Appendix A

**Table 4: Summary of Proposed Base Budget Changes
From 2005 Approved Budget**

	Summary of 2006 Base Budget Adjustments				Net Incremental Outlook	
	Approved Positions	Gross Expenditures	Revenues	Net	2007	2008
(\$000's)		\$	\$	\$	\$	\$
2005 Approved Operating Budget	712.6	674,531.2	404,846.9	269,684.3	0.0	0.0
In-year approvals and technical adjustments	(24.0)	286.3	38.3	248.0		
2005 Approved (Adj) Operating Budget	688.6	674,817.5	404,885.2	269,932.3	0.0	0.0
Annualizations	3.0	(2,646.2)	(6,750.7)	4,104.5		
Economic factors	0.0	1,412.3	11.9	1,400.4		
Adjusted Base Budget	691.6	673,583.6	398,146.4	275,437.2	0.0	0.0
Other base changes	(1.5)	(9,628.8)	(13,497.0)	3,868.2	9,220.6	7,352.3
Base revenue changes						
2006 Base Budget Request	690.1	663,954.8	384,406.4	279,548.4	9,220.6	7,352.3
Recommended Base Adjustments:						
Other base changes			243.0	(243.0)		
Service efficiencies						
Revenue adjustments			3,974.5	(3,974.5)	3,974.5	
Minor service impact						
Major service impact						
Total Proposed Base Adjustments	0.0	0.0	4,217.5	(4,217.5)	3,974.5	0.0
2006 Proposed Base Budget	690.1	663,954.8	388,623.9	275,330.9	13,195.1	7,352.3
2006 Program Operating Target	N/A	N/A	N/A	275,330.9		
% Over (Under) Program Target	N/A	N/A	N/A	0.0		
% Over (Under) 2005 Approved Budget	0.0	(1.6)	(4.0)	0.0		

Section C: 2006 Base Budget Issues

Key Issues and Recommendations

Other Base Changes

The Ontario Works cost sharing for Emergency Planning was discontinued for 2006. Subsequently, other Provincial funding was re-allocated, offsetting the base pressure of \$0.243 million.

Revenue Adjustments

A withdrawal of \$3.975 million is being proposed from the Social Housing Stabilization Reserve Fund, to offset the 2006 base pressures to meet the 2006 2% target. This reserve funding level represents an increase of \$1.548 million over the 2005 draw of \$2.427 million. The projected 2005 year-end balance in the reserve is estimated to be \$42.577 million. The use of the reserve is consistent with past practice used to reduce program pressures. (See Issue Section for further discussion).

Hostel Services Volumes and Costs

The following table provides the historical trend for Hostel Services bed nights from 2002 through to 2006, and summarizes service changes that comprise the \$5.954 million base budget increase from 2005 to 2006.

Hostel Name	Avg Daily Bed Night			Avg Daily Bed Night			2005 Budget compared to. 2006 Base Request			
	2002	2003	2004	2005 Projection	2005 Budget	2006 Proposal	Avg Daily Bed Night Budget	Gross Per Diem	Per Diem Subsidy	Net
Seaton House	584	585	614	613	654	654	0	2,572.5	0	2,572.5
Women's Residence	100	100	96	104	100	105	5	825.8	57.2	768.6
Robertson House										
Hostel	80	82	71	47	80	55	(25)	(255.1)	(285.8)	30.7
Motel	78	87	70	0	0	0	0	0	0	0
Total	158	169	141	47	80	55	(25)	(255.1)	(285.8)	30.7
Family Residence										
Hostel	127	130	127	85	125	125	0			
Motels	278	199	153	52	175	50	(125)			
Total	405	329	280	137	300	175	(125)	(30.2)	(1,429.0)	0.0
Edward Street Shelter	0	0	20	73	78	80	2	(846.0)	(589.3)	(256.7)
Birkdale Residence										
Hostel	165	161	140	118	156	118	(38)			
Motels	146	130	45	9	38	8	(30)			
Total	312	290	185	127	194	126	(68)	309.9	(783.0)	0.0
Total City Hostels	1,559	1,473	1,417	1,101	1,406	1,195	(211)	2,576.9	(3,029.9)	5,606.8
Purchased Hostels	2,651	2,740	2,735	2,860	3,315	3,256	(59)	(788.8)	(1,135.7)	346.9
Total Bednights	4,209	4,213	4,152	3,961	4,721	4,451	(270)	1,788.1	(4,165.6)	5,953.7

Notes:

a) Includes prior year impact increases due to 2005/2006 Cola, 2005/2006 Harmonization & Merit/Step Increases

b) Greenfield and Shelter Referral Assessment Centre not included

c) 110 Edward Street base request includes only four months. The remainder of eight months is reflected in new/enhanced services.

The table compares the bed night volumes and associated costs of delivering Hostel services from 2005 to 2006 on the Program's 2006 Base Budget. The change in volumes has created a net pressure of \$1.145 million (see below), while COLA, harmonization, changes in economic factors and other changes to the base combine to increase the cost of hostel services by \$4.809 million net. (See the New Council Priorities Section for a discussion on the impact of providing service at the Edward Street Shelter.)

The Program is reducing the 2005 bed night budget from 1,588,621 to 1,474,676 in 2006, reflecting a decrease of 113,945 bednights, a drop in the budgeted shelter volume of 7.1%. This adjustment impacts revenue to a greater degree than the expenditures, creating a pressure of \$1.145 million. This is primarily the result of reduced demand for family accommodations in motels.

3 Year Operating Budget Overview

Given the need to move the City towards fiscal sustainability, targets for the 2006 Operating Budget were established that allowed for a 2% increase over the 2005 Approved Operating Budget, giving recognition to the fact that budget reduction strategies may take longer than one year to implement or to fully realize associated cost savings plans. For 2007 and beyond there will be 0% increase in Program Operating Budgets. The ability to achieve the targets in year 2007 and 2008 is uncertain, given the significant future pressures in the Social Housing Program.

As indicated in the following analysis, Social Housing is projecting pressures of \$9.221 million in 2007, and \$7.352 million in 2008. In the past, ongoing pressures have been funded from the reserve; in the future, the sustainability of this practice is uncertain, given the SOGR backlog in the Social Housing Program's housing stock.

Social Housing: The 2006 Proposed Operating Budget for Shelter, Support and Housing Administration reflects a slight increase in Social Housing costs of \$0.957 million (excluding Admin and Realty Tax Grants) from the 2005 Approved Operating Budget. However, excluding the draws from Social Housing Stabilization Reserve, the 2006 Proposed Operating Budget for Social Housing would reflect an incremental increase of \$2.504 million from the 2005 Approved Budget.

The outlook for the next three years reflects a total increase in programming costs of \$23.346 million. In addition to providing a comparative between the 2005 Approved Operating Budget and the 2006 Proposed Budget, the following table summarizes the impact of the projected cost increases from 2007 through 2009.

\$ (000s)	2005 Approved Budget	2006 Proposed Budget	2007 Incremental Outlook	2008 Incremental Outlook	2009 Incremental Outlook	Comments
Gross Expenditures	500,071	502,775	8,859	6,723	4,187	Base changes include mortgage renewals decreases, RGI increases, economic factors, tax increases, and new program benchmarking requirements. Also, included is the Strong Communities Rent Supplement Program.
Strong Communities Rent Supplement Program	(23,800)	(20,200)				Strong Communities Rent Supplement Program, 100% funded by Province
Federal Funding	(174,602)	(174,502)	362	629	2,586	Adjustments in funding
GTA Pooling (Note)	(85,600)	(89,500)				Pooling revenue changed to reflect CVA assessments.
Contribution from Social Housing Stabilization Reserve Fund	(2,427)	(3,975)				\$3.975 million proposed to meet the 2% target.
Sub Total *	\$213,642	\$214,598	\$9,221	\$7,352	\$6,773	
% increase over 2005		.4%	4.2%	3.1%	2.8%	
Admin Costs and Realty Tax Grants	3,363	3,757				
Total Social Housing including Admin.	\$217,005	\$218,355	\$227,576	\$234,928	\$241,701	

**excluding Social Housing Administration Cost*

Funding base pressure through use of Social Housing Stabilization Reserve Fund

- To meet target a \$3.975 million withdrawal has been proposed from the Social Housing Stabilization Reserve Fund, which will create a 2007 pressure, as reserve funding is considered one-time funding. Although the Social Housing Stabilization Reserve Fund had been established to “mitigate the financial exposure associated with Social Housing Devolution,” since 2002, Shelter, Support and Housing Administration has been using the Reserve Fund as a source of funding for its annual incremental operating pressures. The projected 2005 year-end balance in the Social Housing Stabilization Reserve Fund is \$42.577 million.
- Also the request of \$1.565 million to extend funding to December 2006 from April 2006 for 110 Edward Street Shelter and Referral Centre is proposed to be funded through a one-time withdrawal from the Social Housing Stabilization Reserve Fund. As this is a one-time funding source, if the program is to be continued beyond 2006, additional funding will be required, creating a pressure in 2007.

Service Level Delivery, or Gap Issues***Adequacy of Social Housing Reserves***

The City maintains two reserves to support Social Housing: the Social Housing Stabilization Reserve Fund, which was established in 2001; and the Social Housing Federal Reserve Fund, which was established in 2003. These accounts were established: to mitigate the financial exposure associated with Social Housing Devolution, including “to stabilize in-year variances as well as unanticipated year-to-year expenditure fluctuations, to help minimizing or phase in their impacts on the property tax rate; to supplement funds for capital repairs, in regard to urgent needs or phase-in toward higher funding levels; and to fund other potential liabilities as they arise.” The Social Housing Stabilization Reserve Fund (2005 Projected Balance of \$42.6 million) was established without reference to specific projects, but was established as part of the framework for transferring from Canada Mortgage and Housing Corporation to the Provincial government the responsibility for administering various Social Housing Programs, specifically NHA Section 25, 79 and 95 projects. The Social Housing Federal Reserve Fund (2005 Projected Balance of \$28.5 million) was established for projects that were formerly federally funded cost-shared programs. The projected year-end balances at the end of 2005 in these reserves is \$71.080 million

Council was advised that the “TCHC 30-Year Capital Needs Assessment” indicated that there is an immediate capital repair need of \$224 million, expressed in 2004 dollars, to address deferred capital work that was transferred through the download of social housing. At this point, staff are not recommending that additional funding be provided from the City’s social housing reserves or that the social housing Operating Budget be increased.

At its July 2005 meeting, Council was advised that the present operating subsidy associated with major capital repairs and upgrades to non-TCHC housing providers of \$13 million annually was not sufficient to cover expected capital expenditures over the life-cycle of these buildings. In order to address the needs of these housing providers, the City will need to increase the yearly subsidy to the non-TCHC housing providers to \$47 million, which would have an impact of an additional \$34 million annually.

Staff advice at that time was that the reserve funds continue to be used to address urgent capital repairs where the cost of the repairs exceeds the providers' own capital reserve fund, year-to-year expenditure fluctuations and other onetime potential liabilities as they arise.

At its meeting on July 19, 20, 21 and 26, 2005 Council adopted the recommendation that the General Manager of Shelter, Support and Housing Administration "be directed to report back to Council before December 2005, on recommended strategies to help mitigate the City's financial exposure and risk related to the capital repair needs of social housing providers and that the report include a policy on establishing a state of good repair of existing housing stock before adding housing stock."

At its meeting on December 5, 6, and 7, 2005, Council adopted the recommendations of Policy and Finance Committee Report #8 item #44, where a \$5 million withdraw from the Social Housing Stabilization Reserve Fund for urgent capital repairs be authorized. Embodied in that report was the request for an additional \$20 million withdraw from the Social Housing Stabilization Reserve Fund and the recommendation "that the General Manager, Shelter, Support and Housing Administration, be requested to report to the next meeting of the Community Services Committee with a list of the additional properties requiring urgent repair."

Prior to a decision concerning the payout of addition costs from existing reserves, the City needs to review the TCHC's Community Management Plan, which will include an updated analysis of TCHC's capital repair needs. The Plan will be presented to the City in 2006. In the meantime it is recommended that the City continue advocate to the Provincial and Federal governments for the need for additional funding associated with the social housing portfolio financial risk.

Hostel Provincial Funding Shortfall: The Ontario Works Act provides the Hostel Services Unit of the Shelter, Housing and Support Division with authority to "provide emergency hostel services which means the provision of board, lodging and personal needs to homeless persons on a short term, infrequent basis."

The Ontario Works Act provides the legislative framework for the provision of emergency shelter services and sets out the subsidy arrangement that specifies an 80% provincial and municipal 20% municipal cost-sharing. The actual cost-sharing is 51.1% provincial and 48.9% municipal.

While the Ontario Works Act does not impose a set cap for the cost-sharing for these services, the cap of cost sharing for shelter services is outlined in policy directives from the Province of Ontario, Ministry of Community and Social Services. These directives identify a set cap for each night of hostel service provided, but do not impose a cap on the overall nights of service a municipality may claim. The per-night cap is set at a lower rate than Toronto's real costs, with a resulting shortfall estimated at \$29.1 million for 2006. The shortfall for 2005 is projected to be \$24.7 million, and was \$22.2 million in 2004.

For 2006 the shortfall is calculated as follows: the Province funds \$31.32 per diem, while the true subsidy should be \$51.08, based 80% of the actual cost of \$63.85 per diem. This results in a shortfall of \$19.76 per diem.

Affordable Housing Grants

Affordable Housing project costs are summarized in the following table:

**SHELTER, SUPPORT AND HOUSING ADMINISTRATION
HOUSING PROJECTS**

(in \$000's)

Project Name	Number of Housing Units	2006 CRF Funding *
Ghana - 2350 Finch Ave. W	48	\$1,425.6
Fred Victor - 418 Dawes Rd	47	295.2
NUC-TUCT - 53 Cummer Ave.	53	285.4
YWCA - 60 Bergamot Ave.	68	2,475.0
HOTT - 30 Darrell Street	10	130.8
Bellwoods Centre - 1082 Dundas St. W	31	432.0
Medallion Properties - 1555 Jane St.	193	405.2
Verdirock - 121 Parkway Forest Dr.	232	696.5
Evangel Hall	84	186.8
Total	766	\$6,332.5

Note: * CRF refers to the City of Toronto Capital Revolving Reserve Fund

Issues Referred to 2006 Operating Budget Process

None

Outstanding Issues from 2005 and Prior Years

None

Appendix A

Summary of Service Level Adjustments

PART III: NEW COUNCIL PRIORITIES

Table 5: Summary of 2006 New Council Priorities (\$000)

Council Priority	Description	Total 2006 New Requests		2006 Not Proposed		2006 Proposed Council Priorities		Proposed New Positions	Net Incremental Impact													
		Gross Exp.	Net Exp.	Gross Exp.	Net Exp.	Gross Exp.	Net Exp.		2007	2008												
		\$	\$	\$	\$	\$	\$	#	\$	\$												
Council Priorities:																						
	Sub-Total Council Priorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0												
New Requests Referred to 2006 Operating Budget:																						
	Sub-Total Referred	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0												
New Program Requests:																						
5	Street into Homes _ Summer Students	68.1	0.0			68.1	0.0	1.9		0.0												
5	Operate Edward St Shelter, 8 months Staff for Strong Communities Rent Supplement Program: Social Housing	2,250.2	1,565.3			2,250.2			1,565.3													
6	Consultants	96.5	0.0			96.5	0.0	2.0														
	Sub-Total New Program Requests	2,414.8	1,565.3	0.0	0.0	2,414.8	0.0	3.9	1,565.3	0.0												
Total New Council Priorities		2,414.8	1,565.3	0.0	0.0	2,414.8	0.0	3.9	1,565.3	0.0												
<table border="0"> <tr> <td>Council Priority</td> <td>6 - Ensure housing is affordable</td> </tr> <tr> <td>1 - Improve Public Service</td> <td>7 - Get the powers and funded needed for Toronto to succeed</td> </tr> <tr> <td>2 - Make Progress on the Waterfront</td> <td>8 - Improve the planning process</td> </tr> <tr> <td>3 - Improve Business Climate</td> <td>9 - Increase public involvement in civic affairs</td> </tr> <tr> <td>4 - Make Toronto a clean and beautiful city</td> <td>10 - N/A</td> </tr> <tr> <td>5 -Strengthen our at-risk neighbourhoods</td> <td></td> </tr> </table>											Council Priority	6 - Ensure housing is affordable	1 - Improve Public Service	7 - Get the powers and funded needed for Toronto to succeed	2 - Make Progress on the Waterfront	8 - Improve the planning process	3 - Improve Business Climate	9 - Increase public involvement in civic affairs	4 - Make Toronto a clean and beautiful city	10 - N/A	5 -Strengthen our at-risk neighbourhoods	
Council Priority	6 - Ensure housing is affordable																					
1 - Improve Public Service	7 - Get the powers and funded needed for Toronto to succeed																					
2 - Make Progress on the Waterfront	8 - Improve the planning process																					
3 - Improve Business Climate	9 - Increase public involvement in civic affairs																					
4 - Make Toronto a clean and beautiful city	10 - N/A																					
5 -Strengthen our at-risk neighbourhoods																						

Section D: New Council Priorities

2006 New Program Requests

The following three new service proposals are fully funded. Two are aligned with Strengthen our at-risk neighbourhoods, one is aligned with Ensure housing is affordable.

Recommended Requests

- **Strong Communities Rent Supplement Staff Request:** Two additional staff are required for a six month period to help administer the program requirements under terms of the Memorandum of Understanding the City signed with the Province in March, 2005, which authorizes the City deliver the Strong Communities Rent Supplement Program. The 2006 request is for \$0.097 million gross, \$0 net; it is anticipated that these positions will be required in 2007, with \$0 net impact.
- **Street into Homes:** The equivalent of 1.9 Approved Positions (6 students for 16 weeks) is required during the summer months to assist the street-homeless find accommodation within the shelter system or in permanent housing. The 2006 request is for \$0.068 million gross, \$0 net, with funding to come from SCPI. It is anticipated that these positions will be required in 2007, with \$0 net impact.
- **110 Edward Street:** The shelter and referral centre for street-homeless individuals has had a 98% occupancy rate since it opened in December, 2005. The shelter has funding approval until April 2006. The \$1.565 million funding requirement for this service is proposed to be funded through the Social Housing Stabilization Reserve Fund. A Briefing Note to Council has been prepared on the operating impacts of continuing to fund this service, titled "Funding the Purchase of 110 Edward Street for Affordable and Supportive Housing Purposes." The briefing note states that there are no other implications from purchasing the site. However, as the City currently leases a portion of the site for \$20,000 per month, after the purchase of this site has been completed, the City will assume all operating costs for the entire existing facility until the site redeveloped. For the interim period, it is yet to be determined whether this would result in a net savings or not, as operating costs such as insurance, utilities, repairs and security have not been confirmed for the site.

Appendix B

Summary of New Council Priorities