

Toronto Community
Housing Corporation
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Toronto, Ontario
M4W 2H2



December 1, 2006

Shirley Hoy
City Manager, City Hall
11th floor, East Tower
100 Queen Street West
Toronto, ON M5H 2N2

Subject: **Toronto Community Housing Corporation
Community Management Plan 2007-2009**

Dear Ms. Hoy:

At the November 15, 2006 meeting of the Toronto Community Housing Board of Directors, the Board approved the attached Draft Community Management Plan 2007-2009.

The Community Management Plan provides the strategic framework for the organization for a three (3) year period. It is updated on an annual basis through a comprehensive engagement process with tenants, staff, community agencies, city staff, councilors and other interested stakeholders.

The Community Management Plan 2007-2009 was developed through discussions with the Board and the engagement of communities, tenants, community partners, city representatives and others. Over 1,100 stakeholders were involved in direct Community Management Plan engagement sessions. In addition, the plan was influenced by issues and achievements identified from discussions held at building level meetings for the purpose of influencing the organization's plans – at both the Community Housing Unit level and at the organization wide Community Management Plan. Those session included over 6,800 participants.

Stakeholder engagement identified a number of areas of stakeholder concern with key themes including:

- A need to improve service – standards, levels and approach;
- Support for community engagement opportunities and a need to increase opportunities to have impact in decision-making;

- Ongoing need for access to programs in Toronto Community Housing communities, primarily for seniors, youth and those facing mental health challenges;
- Improved perceptions of safety and recognition of improved community safety however a continued need for a community safety focus; and
- Improvements to buildings, especially in relation to repairs, cleanliness and kitchens and bathroom upgrades.

In addition to meetings on the Community Management Plan and Community Housing Unit business planning, the plan also recognizes the impact of results of the organizational health workshops and staff survey and the results from the 2006 Tenant Survey.

The attached Community Management Plan 2007-2009 responds to the theme areas identified through stakeholder engagement and other input processes (healthy workplace survey and tenant survey) that were happening at the time, as well as to other areas of business requiring a committed focus, such as governance and financial sustainability.

BACKGROUND:

The relationship between the City of Toronto and Toronto Community Housing is outlined in a Shareholder Direction between the City, as sole shareholder, and Toronto Community Housing as an arms length corporation established under the Ontario Business Corporations Act. Toronto Community Housing has a thirteen (13) member Board of Directors, appointed by the shareholder. The Board of Directors is accountable for the policy, operational and financial management of the corporation.

Toronto Community Housing owns and is responsible for managing a portfolio of 58,500 units of housing in over 2000 buildings across 350 developments across the City of Toronto. Its mandate is to provide affordable rental housing for low and moderate-income households in the City of Toronto and currently provides homes to more than 164,000 tenants. Toronto Community Housing is one of over 230 social housing providers in the City of Toronto, operating under the direction of the Social Housing Reform Act, which is administered by the City through Shelter, Housing & Support acting as the Service Manager on behalf of the City.

There are two key accountability mechanisms outlined in the Shareholder Direction. One is a 3-year rolling business plan, the Community Management Plan, and the other is an Annual Report. The Annual Report is to be submitted by May of each year and the Community Management Plan, and subsequent updates to it, is to be submitted at the end of each year.

THE COMMUNITY MANAGEMENT PLAN, 2007-2009

The Community Management Plan, 2007-2009 sets out the goals to be achieved by Toronto Community housing and the initiatives that will be undertaken in support of these goals. Goals are based on the Toronto Community Housing mandate:

“To provide quality housing for low and moderate income households and to create community conditions that minimize risk and promote resiliency.”

There are five (5) strategic areas:

- 1) **Buildings** – improving buildings;
- 2) **Communities** – creating community health;
- 3) **Tenants** – supporting households;
- 4) **Organization** – building a healthy organization; and
- 5) **Finances** – creating financial sustainability.

Each strategic area in the plan has a specific set of initiatives and outcomes. There are seven high level goals to be achieved in fulfilling the Toronto Community Housing mandate:

- Buildings maintained in good repair;
- Safe communities;
- Equitable and inclusive life opportunities;
- Community access to social supports and services and connected to neighbourhood systems;
- Tenants organized to influence the institutions that govern their lives;
- Partnerships to create healthy communities; and
- Organizational capacity to meet the mandate.

The approach to delivering the Community Management Plan is as important as implementation of the strategies themselves and the implementation section of the plan responds to what is a critical component of a successful implementation.

Outlined below is a high level summary of the work reflected under each strategic focus area set out in the attached Community Management Plan 2007-2009.

STRATEGIC AREA: BUILDINGS

Healthy communities start with people having good places to live. The good state of repair of Toronto Community Housing units is essential. Currently, not all units meet an appropriate livability standard.

Toronto Community Housing assesses its housing assets in four ways:

- Annual unit inspections (life safety, maintenance, livability);
- Tenant survey responses (every two years);
- Annual building inspections by asset managers and housing managers; and
- Building condition audits (every three years).

Based on input from tenants and staff, as well as technical reviews of buildings, there are five areas that are identified as priorities for Toronto Community Housing:

- A lack of preventive maintenance is driving up operating costs and creating service interruptions;
- Current pest control programs are not effective in addressing all infestations;
- Sustained building cleanliness standards are not being achieved in all communities;
- Unit interiors in older buildings are in very poor condition, particularly bathrooms and kitchens; and
- Better capital planning and longer lasting repairs are needed.

Some of the key actions that Toronto Community Housing is taking to promote a good state of repair, better service to tenants and a sustainable housing portfolio in 2007 include:

- Continued implementation of the Building Renewal Program (\$100 million over 4 years for 19 communities);
- Initiation of a Unit Refurbishment Program – to upgrade kitchens and bathrooms (\$75 million investment over three years);
- Initiation of a Maintenance Improvement Program to address issues related to preventive maintenance, pest control services and building cleanliness;
- Initiation of service improvement program;
- Continued revitalization of Regent Park and Don Mount Court; and
- Initiation of the revitalization process for Lawrence Heights.

The above actions will not address all of the capital and maintenance back log issues in the housing portfolio. The transfer to Toronto Community Housing of housing stock in poor condition, that had not received proper capital investment over a sustained period means that there is still a need for adequate funding to return all building and houses to a good state of repair. This backlog is estimated at \$300 million (2006).

STRATEGIC AREA: COMMUNITIES

Healthy communities are places in which people choose to live because the quality of housing is good, they feel safe, and they are empowered and feel able to participate in civic life. These characteristics do not exist in all communities. Toronto Community Housing dedicates resources to building and maintaining healthy communities through investments in physical as well as community assets.

Investment of resources is based on a value and belief in the strength of community engagement. Participation in decision-making that affects the lives of tenants is a fundamental value that drives Toronto Community Housing. The Tenant Participation System, tenant engagement in budget allocations, involvement of tenants in policy development and governance all contribute to creating an improved community environment. This approach leads to better decisions and ones that meet the needs of communities and build community leadership capacity.

Consultations with communities identified that Toronto Community Housing has significantly improved in areas such as tenant engagement and staff and tenant relations since 2002. There is strong support for attracting program and individual support from community agencies, and for the programs delivered directly by Toronto Community Housing. There is also an expectation that Toronto Community Housing will continue to invest in strengthening communities and building community health.

Some of the key actions that Toronto Community Housing is taking to promote social inclusion, community engagement and to create good places to live in 2007 include:

- Initiation of a mental health and social isolation program;
- Annual investment in accessibility improvements and development of an Accessibility Plan;
- Annual community investment of \$1 million through the Social Investment Fund;
- Investment in green programs, including education and awareness programs for staff and tenants; and
- Continued investment in community safety through community development work, capital investment and security services.

STRATEGIC AREA: TENANTS

In addition to strategies related to improving buildings and the health of its communities, consultations and tenant survey results clearly include the need for tenant-focused strategies that respond to the lack of sustainable economic opportunity for tenants, especially youth, and the unique and pressing needs of seniors. Many other tenant needs exist, and Toronto Community Housing continues to link tenants with available services in their community.

The average income in a Toronto Community Housing household is \$14,600 compared to the city average of \$69,125 (2001). Average incomes can be even lower among the seniors and youth population. Addressing basic needs is a challenge for many households. This level of poverty also brings a complex set of issues resulting in social exclusion, economic and social marginalization and disempowerment.

Tenants have expressed a need for a broad range of services and supports. The primary role for Toronto Community Housing is to connect individuals with the services and supports they require, and not to be a primary service provider. In some areas, there are particular needs that are not being met in the community because of a lack of access to community services or because the issue has not been addressed by a service provider. In these instances, Toronto Community Housing may depart from the customary role of establishing linkages to services to that of a program delivery organization. Often, this is the case where there is an interest in demonstrating the effectiveness of innovative ideas or how funders can support effective programs that achieve tangible results for individuals.

Some of the key actions that Toronto Community Housing is taking to promote economic opportunities and better access to community services in 2007 include:

- Promotion of economic opportunity for youth;
- Initiation of changes to Children and Youth Services to better meet the needs of youth; and
- Development of a Senior's Strategy.

STRATEGIC AREA: ORGANIZATION

There have been many changes to the organization of Toronto Community Housing since 2002. To accomplish the objectives of the Community Management Plan staff need to have the tools to do their job, the organization must be structured to align with its objectives and proper accountability structures need to be put in place.

Toronto Community Housing staff, with the support of unions and management, has identified key indicators and measures of a healthy workplace. A survey of all employees (63% return rate) was conducted to determine how Toronto Community Housing rates for these measures. Staff workshops further explored general issues as well as workplace specific practices.

The healthy organization survey showed an overwhelming response to Toronto Community Housing as a "good place to work". Key areas influencing that result included:

- Good team work;
- Respect for other staff and stakeholders;
- Staff-manager relationships; and
- Excellent service as a priority at all levels of the organization.

Key priority areas for development as identified through the survey included:

- Building the knowledge and skills of staff;
- Providing more opportunity for growth and development;
- Ensuring staff is engaged in decision-making that has an impact on the work they do; and
- Ensuring work-home balance is maintained.

As the organization matures there is also a focus on ensuring governance structures are in place, that performance monitoring and reporting provide the information required to make decisions and that information is shared with stakeholders.

Some of the key actions that Toronto Community Housing is taking to promote a Healthy Organization in 2007 include:

- Engaging staff in creating a Health Workplace;
- Building organizational capacity;
- Developing a Diversity Plan;
- Reviewing governance structures and systems; and
- Enhancing performance measurement and reporting.

STRATEGIC AREA: FINANCE

Toronto Community Housing, like most social housing providers, operates within an extremely constrained financial envelope. Rental revenues do not grow at the rate of cost inflation, and some building operating costs rise faster than the prevailing rate of inflation.

Over the past four years, Toronto Community Housing has focused on improving the cost effectiveness of operations, reducing utility consumption, and making capital investments that reduce long-term operating expenses. A cashflow has been created to sustain over \$90 million in debt for direct reinvestment into the housing stock.

In addition to efforts to manage costs, attention has been paid to increasing non-rental revenues through commercial activities. These new revenues are critical in supporting building investment programs.

The financial framework is tight. There are not many avenues to tap into to find the additional dollars needed to get everything done. Toronto Community Housing has applied for and received a AA- debt rating through Standard & Poors which provides debt management options, but the organization must be careful that when borrowing money it has the ability to generate the cashflow required to make installments when due. As Toronto Community Housing has already tapped into financing opportunities through energy savings where viable, it is unlikely additional opportunities exist.

Over the course of the first year in this plan, Toronto Community Housing will spend over \$487 million in areas of housing operations, \$56 million in investments in communities and the organization, and an additional \$138 million directly toward capital repair work for a total \$682 million investment toward delivering its mandate. This means that with annual housing operations revenues of \$569 million, the organization must finance the remaining \$113 million required to implement this plan. These funds are available through carryover of Building Renewal Program funding, withdrawal from reserves and third part financing.

IMPLEMENTATION

Toronto Community Housing views the approach to implementation as being important as the initiatives themselves in achieving the outcomes that are desired. Strategic initiatives identified in the Community Management Plan 2007-2009 will be delivered with an approach that recognizes the values of the organization through adherence to the following implementation principles:

(in \$ millions)	2007
Housing Operations Revenue	\$569
Housing Operations Expense	\$487
Operating Cashflow	\$82
Operating Cashflow	\$82
Total Investment Needed	\$195
Additional Cash Required	\$113
Carry over BRP Investment	\$18
Withdrawals from reserves	\$33
3rd party financing	\$62
Additional Investment	\$113

- Engagement;
- Communication;
- Change Management;
- Management of the Day-to-Day;
- Openness to Options; and
- Monitoring, Evaluating & Reporting.

CONCLUSION

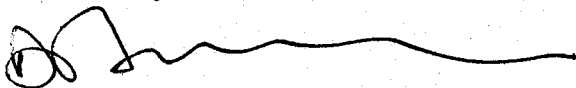
The Community Management Plan 2007-2009 reflects the growth that Toronto Community Housing has made since it was established in 2002 and the realities that are currently faced by the organization. While there continue to be many challenges the corporation recognizes these challenges and is confident that in working with tenants, staff, labour and its city and community partners that the desired outcomes are achievable.

Outcomes and initiatives identified within the Community Management Plan become the focus of the organization and there is a commitment to work with staff, tenants and other key stakeholders to achieve the objectives set out in the plan.

This Community Management Plan 2007-2009 provides the focus for the organization as it moves into its fifth year of operations. Through the development of the plan the organization recognizes achievements, affirms the direction and allocates resources according to the priorities the corporation has set based on its financial framework, the operating environment, its mandate, the roles it plays, the strategic direction set by the board and the issues and opportunities identified by its stakeholders.

In closing, staff and the Board of Toronto Community Housing would like to thank the City Manager, City Staff and members of City Council for their review of Toronto Community Housing's Community Management Plan 2007-2009 and continued support of the progress that the organization is making.

Yours truly,



Derek Ballantyne
Chief Executive Officer
Toronto Community Housing

cc: Nancy Autton
Joe Borowiec
Rosanna Scotti