



## STAFF REPORT ACTION REQUIRED

### Toronto Community Housing Corporation 2009 – 2011 Community Management Plan

<b>Date:</b>	May 13, 2009
<b>To:</b>	Executive Committee
<b>From:</b>	City Manager
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### **SUMMARY**

---

The City's Shareholder Direction to Toronto Community Housing Corporation (TCHC) requires TCHC to submit an annual Community Management Plan (CMP) to the City for comment. The CMP is a rolling three-year business plan including long-term business strategies, key multi-year targets and financial plans, but is not a detailed activity plan. Toronto Community Housing's 2009 – 2011 Community Management Plan updates the priorities, outcomes and targets in its 2008 Plan and highlights its efforts to align its city building plans with the City's affordable housing goals.

#### **RECOMMENDATIONS**

---

**The City Manager recommends that:**

1. City Council, in its role as Shareholder of the Toronto Community Housing Corporation, receive Toronto Community Housing Corporation's 2009 – 2011 Community Management Plan; and
2. the City Clerk forward a copy of this report and City Council's decision thereon to the Board of Directors of the Toronto Community Housing Corporation as the City's comments on the Plan.

#### **FINANCIAL IMPACT**

---

The recommendations in this report have no financial impact.

## **EQUITY IMPACT**

Toronto Community Housing's Community Management Plan addresses challenges it faces and sets out actions that will help it build healthy and safe communities integrated into the social fabric of the city. In 2009, Toronto Community Housing plans to improve tenant engagement and participation in governance, increase the social inclusion of marginalized groups, establish programs and service approaches that are dedicated specifically to the needs of youth and seniors, improve community safety and support job creation and improvement of economic conditions for tenants.

Specific initiatives in Toronto Community Housing's 2009 – 2011 CMP include plans for youth advocacy, seniors issues, human rights and anti-racism advocacy, completion of a mental health framework and social inclusion audit tool and continued focus on its Anti-Racism Policy including implementation of its Diversity Strategy. Issue-based groups such as Save Our Structures, the Anti-Ableism Committee and the Hispanic Tenants Association are examples of tenants developing their own networks and connecting to City-wide issues that influence their day-to-day lives and well being.

## **DECISION HISTORY**

City Council approved the Shareholder Direction to Toronto Community Housing on October 2, 3 and 4, 2001. Section 9.1 of the Shareholder Direction requires that TCHC submit its annual Community Management Plan to the City for comment and that the City's comments be taken into consideration in the preparation of detailed action plans to be approved by TCHC's Board of Directors

At its December 8, 2008 meeting, the TCHC Board of Directors approved its 2009 – 2011 Community Management Plan and authorized its submission to the City. Copies of Toronto Community Housing's letter to the City formally submitting the plan and the 2009 – 2011 Community Management Plan are included as Attachments 2 and 3.

## **ISSUE BACKGROUND**

Toronto Community Housing Corporation is an arms-length corporation established by the City under the Ontario *Business Corporations Act*. Toronto Community Housing owns and manages approximately 58,500 rental housing units in more than 2,000 buildings in 350 developments located across the City. Serving more than 164,000 tenants, TCHC's mandate is to provide quality housing for low and moderate income households and to assist in the creation of community conditions that minimize risk and promote resiliency. Toronto Community Housing is one of over 230 social housing providers in the City operating under the *Social Housing Reform Act, 2000*. The Shelter, Support and Housing Division acts as the Service Manager under the *SHRA* administering funding on behalf of the City and Province.

Toronto Community Housing's CMP is "a rolling three-year business plan including long-term business strategies, key multi-year targets and financial plans, but not including detailed activity plans". The CMP provides the strategic framework for the organization and is reviewed annually through a process that engages tenants, TCHC

staff, the TCHC Board, community agencies and other interested stakeholders. The Plan also acts as an accountability tool for the City as shareholder.

The City's Shareholder Direction to TCHC requires that it submit the plan to the City annually for comment and that it outline the following:

- (a) anticipated results for the year in progress;
- (b) key issues facing TCHC;
- (c) strategies to resolve key issues facing Toronto Community Housing;
- (d) aggregate budget estimates;
- (e) financial targets and performance measures;
- (f) service level targets and changes;
- (g) environmental and energy efficiency targets; and
- (h) major initiatives to be undertaken by Toronto Community Housing in the medium and long term.

## **COMMENTS**

After five years of operation, Toronto Community Housing undertook a review in 2007 to assess whether it was achieving the CMP's desired outcomes and what influence the organizational structure had on achieving them. While the organizational review and consultation with TCHC's board of directors, staff, tenants and labour leaders confirmed that desired outcomes were being achieved in most areas, it found that changes to the organizational structure were required to better meet them.

Key themes that emerged during the consultation process included:

- satisfaction with building and unit repairs that have taken place and the need for continued focus on the repair backlog;
- need to improve cleaning and maintenance services;
- support for services targeting youth and senior tenants;
- support for more action on sustainability or "green" initiatives, particularly in the area of tenant education;
- need for a mental health strategy to assist staff and connect tenants with community services;
- need for more communication between staff and tenants.

These findings were used as the starting point for the 2009 – 2011 CMP.

A review by staff indicates that the 2009 – 2011 Plan complies with the requirements of the Shareholder Direction. A summary of TCHC's 2009 – 2011 Plan is contained in Attachment 1.

Toronto Community Housing's draft CMP was circulated to a number of City divisions, the Affordable Housing Office, the Toronto Police Service, Toronto Public Library and Toronto Public Health. Their comments have been incorporated in Attachment 1.

**CONTACT**

Joe Borowiec, Strategic and Corporate Policy Division

Tel: 416-397-9110; Fax: 416-696-3645; e-mail: [jborowie@toronto.ca](mailto:jborowie@toronto.ca)

**SIGNATURE**

---

Joseph P. Pennachetti, City Manager

**ATTACHMENTS**

Attachment 1 – Summary of Toronto Community Housing Corporation 2009 – 2011  
Community Management Plan

Attachment 2 – Transmittal Letter from Toronto Community Housing Corporation’s  
Chief Executive Officer

Attachment 3 – 2009 – 2011 TCHC Community Management Plan

Attachment 1:

**Summary of  
Toronto Community Housing Corporation  
2009 – 2011 Community Management Plan**

Background

(1) Financial Outlook

Toronto Community Housing's interim 2009 operating plan calls for total projected capital and operating projected expenditures of \$736 million (2008: \$705 million) made up of \$492 million to be spent on housing operations (2008: \$485 million), \$33 million on managing Toronto's assisted housing wait list and landlord housing payments (2008: \$36 million), \$42 million on investments in communities, the organization and reserve contributions (2008: \$45 million), and \$169 million on asset repair and replacement (2008: \$139 million).

These expenditures are to be funded by operating revenues of \$612 million (2008: \$604 million), Provincial and City grants (\$54 million), withdrawals from reserves (\$8 million) and third-party financing (\$64 million), producing a \$2 million net cash flow in 2009.

Additional capital funding provided by the City during 2008 from the proceeds of the sale of Toronto Hydro Telecom (\$75 million), and from the Province (\$34 million), is to be invested over the next two years.

(2) Public Policy Context

A number of public policy issues present both opportunities and challenges for Toronto Community Housing in 2009 and beyond. Opportunities for TCHC include participation in the pilot phase of the Mayor's Tower Renewal Program, an anticipated long-term affordable housing strategy to be part of the Province's poverty reduction strategy and the three-year extension of Federal funding for its housing and homelessness programs that was to expire in March 2009.

Challenges facing Toronto Community Housing include the new City Municipal Licensing and Standards Audit and Enforcement Campaign that will audit 29 TCHC buildings in 2009 and may require the reallocation of capital funding, the cost of new City garbage collection fees and the added cost of providing fire sprinklers in new buildings due to amendments to the Ontario Fire Code.

Overview

Toronto Community Housing's 2009 – 2011 Community Management Plan builds on areas where it is an innovator and leader – including the development of mixed income communities, greening its housing stock and reducing greenhouse gas emissions, engaging tenants and being a good place to work – and also focuses on addressing

challenges including its housing repair backlog, the creation of economic opportunities for tenants and building a workforce that reflects the diversity of the communities it serves.

### 2009 – 2011 CMP Strategic Priorities

The Community Management Plan is organized around the following five strategic priorities within a framework defined by its recent organizational review, financial outlook and public policy context:

- asset management;
- investing in communities and tenants;
- quality housing services;
- strong business and operational performance; and
- effective organization.

Each priority area in the CMP contains a list of objectives, desired outcomes and measures of success.

#### (1) Asset Management

Toronto Community Housing has identified maintaining its housing portfolio in a good state of repair as its most significant challenge. TCHC has divided this priority into five strategic areas:

- state of good repair – achieve and maintain a good state of repairs over time;
- green and smart buildings – make investments in sustainable and building automation technologies;
- revitalization – replace housing whose cost of repair exceeds the value of those repairs through revitalization and the creation of mixed-income communities;
- replacement – sell non-viable housing that does not have redevelopment potential and use the funds generated to replace those units elsewhere;
- financial plan – fund capital investment and maintenance in both Toronto Community Housing’s existing housing stock and its investment in revitalized communities.

The CMP estimates that \$800 million, or \$80 million for each of the next ten years, is required for repairs in TCHC’s multi-residential buildings. The plan estimates an additional \$0.7 million is needed annually for repairs to single family homes. The CMP notes that this capital funding requirement is \$20 million more than its current annual capital repair budget of \$60 million.

Outcomes that Toronto Community Housing plans to achieve include:

- targeting repair investments to existing housing that has long-term viability;
- continuing revitalization plans for mixed-income communities in five communities where housing is no longer viable;

- selling assets that are no longer viable and that do not have redevelopment potential;
- achieving three-year targets for reduced electricity, gas and water consumption;
- reducing garbage generation to meet City waste diversion targets and reduce greenhouse gas production;
- redirecting financial savings generated by reduced utility expenses to capital repairs;
- implementing smart building technology in 150 buildings;
- introducing renewable energy sources for heating and electricity generation; and
- constructing new affordable housing.

As part of developing the CMP, Toronto Community Housing reviewed the condition and operating performance of all its real estate assets and has proposed a Real Estate Asset Investment Strategy to guide investment in buildings and related facilities over the next decade. The strategy has the following objectives over a ten year time frame:

- maintaining the same number of rent-geared-to-income units;
- reducing operating costs by applying limited repair and maintenance budgets strategically;
- ensuring units meet current needs; and
- maintaining a general distribution of rental units across the City.

Part of this strategy proposes the sale of three multi-unit buildings containing 326 units and 45 houses that are no longer financially viable and their replacement by new construction and/or the acquisition of existing rental buildings. TCH is preparing an implementation strategy for this part of its overall Real Estate Asset Investment Strategy. The City Planning Division has requested that TCH discuss that strategy with it before the strategy is finalized to determine if it is affected by the City's rental housing protection policies and by-law. City Planning also recommends that the replacement of units divested by TCH be generally through new construction, rather than the acquisition of existing rental housing, to ensure there is no net reduction of the City's stock of rental housing.

The CMP and the Real Estate Asset Investment Strategy both discuss the possibility of a property tax exemption for TCHC that could free up \$14 million in annual cash flow to be used to maintain existing TCH assets. The City Planning Division notes that under the municipal capital facilities by-law, property tax exemptions for affordable rental housing have been used for the production of new affordable housing or, in the case of Regent Park, replacement of social housing through new construction. Use of the exemption to assist with the maintenance of existing social housing would be a departure from this past practice and could have implications for requests from other non-profit and co-operative housing providers funded under similar social housing programs.

TCHC's Real Estate Asset Investment Strategy, including any proposed property tax exemption or municipal capital facility designation, will be the subject of a separate report once it is formally submitted to the City for approval as required by the City's Shareholder Direction.

## (2) Investing in Communities and Tenants

Toronto Community Housing recognizes that being a social housing provider includes creating conditions that result in healthy and safe communities integrated into the social fabric of the city. By investing in communities and tenants, TCHC wants to:

- increase opportunities for tenants to engage and influence decisions that affect them;
- increase social inclusion of marginalized groups;
- establish service approaches dedicated to youth and seniors;
- improve community safety;
- support job creation and improve economic outcomes for tenants; and,
- strengthen, catalyze and participate in meaningful partnerships.

TCHC's organizational review provided an opportunity to improve the tenant engagement system. Under the new system, tenants will have opportunities to be involved in a broader range of issues that have a direct impact on their daily lives, including youth advocacy, seniors' issues and human rights and anti-racism advocacy. A strong focus on building meetings will build relationships and improve communication between tenants and front-line Toronto Community Housing staff to improve service and tenant satisfaction. Another part of the new tenant engagement model is enhanced support for tenants to organize themselves to participate in civic life and influence institutions that affect them.

Toronto Community Housing is also continuing its work in promoting social inclusion. In 2008, these efforts included three anti-racism study circles, a homelessness and illicit drug usage pilot and a seniors and cognitive impairment pilot. These projects will inform the completion of a mental health framework in 2009. Other initiatives in 2009 will include development of a social inclusion audit tool to help staff measure progress in achieving social inclusion and continued focus on the Anti-Racism Policy including implementation of its Diversity Strategy.

Toronto Community Housing will continue implementation of its Seniors Strategy with a dedicated Seniors Housing Unit as well as its Youth Investment Strategy which is redirecting TCHC's resources from the delivery of children's services, which are available in the broader community, to the creation of programs for youth. These programs include the hiring of Child Advocates to assist tenants with the transition to community-based programs and services and Youth Engagement Coordinators to develop youth programs and create economic opportunities for youth through capacity building and community partnerships.

## (3) Quality Housing Services

A key purpose of Toronto Community Housing's organizational restructuring was to increase its ability to consistently deliver quality services to tenants. That process has begun by the addition of front-line staff, implementing standards of practice through staff



training and development, and increasing tenant-staff communications through regular building meetings. Over the past three years, TCHC has introduced a preventive maintenance program at all its buildings and has linked this work to capital allocations for major equipment replacement. A renewed focus on tenant satisfaction and quality service is being incorporated into all aspects of TCHC's operations. The creation of Customer Service Facilitator positions is an important step in this direction.

#### (4) Strong Business and Operational Performance

While there has been overall improvement in achieving operational objectives, Toronto Community Housing plans to make a concerted effort to manage vacancies and rent arrears and reduce operating costs. In 2009, a new Tenancy Management System (TMS) will replace the existing Housing Management System and will automate and standardize activities associated with critical processes and support staff in delivering efficient and effective services.

#### (5) Effective Organization

In 2008, TCHC was recognized as one of Canada's Top 100 Employers and Top 75 Employers in the Greater Toronto Area. Toronto Community Housing will continue its commitment to ensuring the health, well-being, participation and development of staff in 2009. Together with the Board, staff and union partners, TCHC will focus on exploring new approaches to organizational performance and individual development. In 2009, TCHC will establish an Organizational Development Unit to address such areas as succession planning, training and leadership development, diversity and human rights, oversight of the Healthy Organization Initiative, and ensuring its policies, practices and job specifications reflect its organizational culture and values.

In 2009, TCHC's Board of Directors will assess its role as well as its existing governance systems and structures to ensure it has the necessary information and the ability to provide effective oversight of performance and progress. The Board has also identified the desire to formalize an advocacy role for itself to provide leadership and awareness around issues that have an impact on its tenants and the communities they live in.

Finally, a revised performance management system to be adopted for CMP initiatives in 2009 will be used to reshape and enhance TCHC's performance reporting. The system is to provide quarterly progress measurements against milestones for each initiative, quarterly reports on outcome measures or indices that monitor progress in achieving each of TCHC's five strategic priority areas and annual reports on initiatives that have change in attitude as their outcome.