

September 18, 2009

To: Executive Committee

From: Budget Committee

Subject: In Year Budget Adjustment for Economic Stimulus Funding Investments in Social Housing Renovation and Retrofit: Shelter, Support and Housing Administration

Recommendation:

The Budget Committee recommended to the Executive Committee that:

- 1. City Council increase the Shelter, Support and Housing Administration 2009 Approved Operating Budget by \$98,676,948 gross and \$0 net to reflect the funding of the Social Housing Renovation and Retrofit Program.**

Background:

The Budget Committee on September 18, 2009, considered a report (September 8, 2009) from the General Manager, Shelter, Support and Housing Administration, entitled "In Year Budget Adjustment for Economic Stimulus Funding Investments in Social Housing Renovation and Retrofit: Shelter, Support and Housing Administration".

for City Clerk

Merle MacDonald/mb

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STAFF REPORT ACTION REQUIRED

In Year Budget Adjustment for Economic Stimulus Funding Investments in Social Housing Renovation and Retrofit: Shelter, Support and Housing Administration

Date:	September 8, 2009
To:	Budget Committee
From:	General Manager, Shelter, Support and Housing Administration
Wards:	All
Reference Number:	

SUMMARY

This report updates Budget Committee on “details of any additional projects and final provincial approvals for the Social Housing Renovation and Retrofit Program” as requested by City Council at its meeting of May 25-27, 2009.

This report also requests budget adjustments of \$98,676,948 gross and \$0 net to Shelter, Support and Housing Administration’s 2009 Approved Operating Budget to reflect the additional revenues from the Federal and Provincial Governments.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration, recommends that Shelter, Support and Housing Administration 2009 Approved Operating Budget be increased by \$98,676,948 gross and \$0 net to reflect the funding of the Social Housing Renovation and Retrofit Program.

Financial Impact

Approval of the recommendation will amend the approved 2009 operating budget of Shelter, Support and Housing Administration, from \$724,488,629 gross to \$823,165,577 gross, an increase of \$98,676,948. There is no net impact to the City.

All funding for the two-year Social Housing Renovation and Retrofit Program (SHRRP) will be received directly from the Provincial Government. 2009 funding details are outlined below:

2009 SHRRP Funding	Gross \$(000)	Net \$(000)
Year 1 Funding (Jul. 29, 2009 to Dec. 31, 2009)	\$98,576,948	0
Year 1 Administration Fee (Jul. 29, 2009 to Dec. 31, 2009)	\$100,000	0
Total	\$98,676,948	0

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting of May 25-27, 2009, Council approved the recommendations of the Executive Committee Report Ex 32.12, Economic Stimulus Funding Investments in Social Housing Renovation and Retrofit. As part of the adoption, Council requested that “the General Manager, Shelter, Support and Housing Administration, report to Budget Committee with details of any additional projects and final provincial approvals for the Social Housing Renovation and Retrofit Program in September 2009.” This report responds to the Council directive.

<http://www.toronto.ca/legdocs/mmis/2009/cc/bgrd/backgroundfile-21365.pdf>

COMMENTS

On April 21, 2009, the General Manager, Shelter, Support and Housing Administration (SSHA) Division received a letter from the Ministry of Municipal Affairs and Housing (the Ministry) regarding the \$704 million being jointly invested by the federal and provincial governments in social housing renovation and retrofit in Ontario. The Ministry requested the City of Toronto, as the local Service Manager, to identify construction-ready social housing renovation and retrofit projects that could proceed in the spring and summer of 2009.

Staff canvassed social housing providers for information on renovation and retrofit projects that were already planned or could be implemented quickly. Submissions were reviewed against the stated provincial criteria and a list of 2,511 projects was developed with a total funding request of \$195,725,002. These projects and the funding request were approved by Council at the meeting held on May 25-27, 2009.

On June 16, 2009, the General Manager, SSHA received a further letter from the Ministry advising that the City will receive a notional Social Housing Renovation and Retrofit Program (SHRRP) funding allocation of \$98,576,948 in 2009-10 and \$121,433,789 in 2010-11.

On June 30, 2009, the General Manager, SSHA received the Guidelines for the SHRRP from the Ministry. The Guidelines identified three eligible categories for Renovation and Retrofit projects (health and safety improvements, enhanced accessibility and increased energy efficiency) and indicated that up to 10% of total SHRRP funding was available for Regeneration Projects. The Guidelines state that Renovation and Retrofit projects are to be reviewed and recommended for

approval by the Service Manager whereas Regeneration projects will require a business case submission to the Ministry, which will approve projects on a case-by-case basis.

On July 30, 2009, the General Manager, SSHA received an executed copy of an Administration Agreement with the Province of Ontario. The Administration Agreement serves to consolidate the partnership of the Province of Ontario and the City of Toronto in the delivery of the program. This Agreement has been signed by both parties, pursuant to authority granted to the General Manager by Council at its meeting of May 25-27, 2009.

The Administration Agreement provides \$200,000 to offset the City's administration costs for the SHRRP. For year one of the program, \$100,000 has already been received and an additional \$100,000 will be provided for year two after March 31, 2010. Given the relative size of the City's notional allocation in comparison with other Service Managers throughout the province, a business case will be submitted to the Ministry requesting an increase to the total administration funding.

At its meeting of May 25-27, 2009, Council authorised the General Manager, SSHA, or his designate, to sign Provider Funding Agreements with all housing providers with projects approved by the Ministry for SHRRP funding. These agreements will enable the City to flow funding to housing providers in accordance with the program guidelines. The General Manager, SSHA will provide an update report to the Community Development and Recreation Committee this fall on projects approved under SHRRP.

CONTACT

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SIGNATURE

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Shelter, Support and Housing Administration