



Decision Letter

Budget Committee

BU29.3	ACTION	Adopted		Ward:All
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Investment in Affordable Housing 2012 Budget Adjustment

Committee Decision

The Budget Committee recommends to the Executive Committee that:

1. City Council increase the 2012 Approved Operating Budget for Shelter, Support and Housing Administration by \$12,455,000.00 gross and \$0 net to reflect the funding of the Investments in Affordable Housing program.

Origin

(October 3, 2012) Report from the General Manager, Shelter, Support and Housing Administration, and the Director, Affordable Housing Office

Summary

The Federal and Provincial governments have committed \$480.6 million in Ontario through the Investment in Affordable Housing (IAH) program over the next four years (2012-2015). The City of Toronto has been allocated \$108,337,484.00 for initiatives under four program components – housing allowances, home repair funding, construction of new rental housing, and affordable home ownership.

This report requests a budget adjustment of \$12,455,000.00 gross and \$0 net to the 2012 Approved Operating Budget for Shelter, Support and Housing Administration to reflect the additional revenues and expenses associated with the IAH program.

Financial Impact

The Ministry of Municipal Affairs and Housing (MMAH) has approved the City of Toronto's Program Delivery and Fiscal Plan (PDFP) for the operating components of the Investment in Affordable Housing for Ontario (IAH) program. Toronto's PDFP was approved June 13, 2012 and as such requires an in-year budget adjustment to facilitate payments to third parties such as homeowners and developers.

For 2012, the approved operating budget of Shelter, Support and Housing Administration must be increased by \$12,455,000.00 gross and \$0 net to make payments to the proponents participating in the Rental Housing component, \$10,800,000.00 (\$7.8 million for 3415 Weston Rd and \$3 million for TCH Regent Park revitalisation), Homeownership component, \$1,155,000.00, and the Toronto Renovates component, \$500,000.00, of IAH. Appendix A details the budget distribution for 2012 and the future year outlooks through 2015. The future year budget impacts will be included in the future-year operating budget submissions of the Affordable Housing Office and Shelter, Support and Housing Administration.

The total amount available to the City of Toronto for administration of the program is \$5,337,484.00 (5 percent of the total funding allocation). The administration dollars will be allocated to the Affordable Housing Office, \$2,561,992.00, Shelter, Support and Housing Administration, \$735,492.00, and the Ministry of Finance, \$2,040,000.00. For 2012, there is no impact due to the administrative component. The Affordable Housing Office and Shelter, Support and Housing Administration will include the administrative impacts as part of their budget submissions for 2013 and beyond.

There will be no net impact to the City as all program costs will be reimbursed by the Provincial government at 100 percent. The Province reserves the right to reallocate unspent funds between Service Managers.

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

Background Information

(October 3, 2012) Report from the General Manager, Shelter, Support and Housing Administration, and the Director, Affordable Housing Office on Investment in Affordable Housing 2012 Budget Adjustment and Appendix A - 2012 to 2015 Budget Distribution of IAH Funds

(<http://www.toronto.ca/legdocs/mmis/2012/bu/bgrd/backgroundfile-50699.pdf>)