

## **Toronto Housing Allowance 2014 Budget Adjustment**

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| <b>Date:</b>             | March 12, 2014   |
| <b>To:</b>               | Budget Committee   |
| <b>From:</b>             | General Manager, Shelter, Support and Housing Administration |
| <b>Wards:</b>            | All  |
| <b>Reference Number:</b> |  |

### **SUMMARY**

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In October 2013, Council approved a one-time transfer of \$3.700 million to the new Housing Allowance Reserve, XQ1112 established to facilitate the delivery of a new time-limited housing allowance program to assist up to 260 homeless and at-risk seniors' households in Toronto.

Drawing on the proven program delivery model in place for the Toronto Transitional Housing Allowance Program (TTHAP), staff will enter into an agreement to administer a new time-limited housing allowance program through a partnership with the Ministry of Finance.

This report seeks Council approval to increase the 2014 Approved Operating Budget for Shelter, Support and Housing Administration (SSHA) by \$0.870 million gross and zero net, funded from the Housing Allowance Reserve. The reserve was established to hold housing allowance funding for individuals at risk of homelessness. This adjustment is required to fund the time-limited housing allowance program to support homeless and at-risk seniors' households.

The report also requests authority to negotiate and enter into the necessary agreements with the Province, Ministry of Finance, to administer the housing allowances as described in the Issues Section under Program Administration.

## **RECOMMENDATIONS**

The General Manager, Shelter, Support and Housing Administration, recommends that:

1. City Council authorize an increase of \$0.870 million gross and \$0 net to the 2014 Approved Operating Budget of Shelter, Support and Housing Administration to include the 2014 funding requirements for the Toronto Housing Allowance program; and
2. City Council authorize the General Manager, Shelter, Support and Housing Administration, to negotiate and enter into the necessary agreements with the Province, Ministry of Finance in a form satisfactory to the City Solicitor to administer the 2014 housing allowance funding requirements under the terms of the new Housing Allowance Program.

### **Financial Impact**

There will be no net impact to the City.

In October 2013, Council approved one-time transfer of \$3.700 million to the new Housing Allowance Reserve, XQ1112. The reserve was established to facilitate the delivery of a new time-limited housing allowance program and assist up to 260 homeless and at-risk seniors' households in Toronto. Funding for this time-limited program is available from the 2013 allocation of the under-spending from the Housing Stabilization Fund, which commenced in 2013.

The 2014 gross budget adjustment of \$0.870 million will be funded by a draw from the Housing Allowance Reserve, XQ1112, which currently has a balance of \$3.700 million. Funding will be transferred from SSHA to the Province for administration by the Ministry of Finance.

Housing Allowance program impacts for 2015 and beyond will be reported through the City's annual operating budget process, with funding projections based on anticipated client needs.

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

### **Equity Impact**

Housing and homeless services respond to the needs of vulnerable people in the City of Toronto.

## DECISION HISTORY

Council adopted the housing allowance funding allocations and program principles at its meeting of October 8,9,10 and 11, 2013, report CD23.4, Housing Stabilization Fund - Updates and New Housing Allowance:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CD23.4>

## ISSUE BACKGROUND

In October 2013, Council approved the transfer of \$3.700 million to the new Housing Allowance Reserve, XQ1112. The reserve was established to facilitate the delivery of a time-limited housing allowance program to assist up to 260 homeless and at-risk seniors' households in Toronto. Funding from this time-limited program is available from the 2013 allocation of the under spending from the Housing Stabilization Fund, which commenced in 2013.

It is expected that the \$3.700 million will be flowed out to clients over a 3 year period from 2014 to 2017. A preliminary cash flow schedule has been drafted:

| 2014      | 2015        | 2016        | 2017      | Total       |
|-----------|-------------|-------------|-----------|-------------|
| \$870,000 | \$1,169,300 | \$1,102,200 | \$533,700 | \$3,675,200 |

## Program Administration

All households participating in the housing allowance program will receive the same benefit payment of \$400/month. At the beginning of each benefit year, participating households will be required to submit a new application, which will be reviewed to ensure ongoing eligibility. Payment of housing allowance benefits will be made to the recipient or, in some cases, directly to a landlord on behalf of the recipient based on a mutually-agreed to housing plan with a support worker. All housing allowances, including those directly paid to a landlord, are portable (i.e., can be transferred to another housing unit) within Toronto.

Eligibility for the housing allowance program will be determined on a consistent basis with previous housing allowance programs implemented by the City of Toronto. All participating households will be referred to the program by either the Toronto Employment & Social Services or Shelter, Support & Housing Administration division, or a designated partner agency. Each participating household will be required to submit an application for the housing allowance program and must satisfy the Council approved criteria outlined in report CD23.4 Housing Stabilization Fund - Updates and New Housing Allowance (see DECISION HISTORY for link)

Drawing on the proven program delivery model in place for the Toronto Transitional Housing Allowance Program (TTHAP), staff will explore the feasibility of administering the housing allowance program through a partnership with the Ministry of Finance.

Administration of the housing allowance using this partnership delivery model would allow the City to leverage existing policies and procedures established for TTHAP, make use of an automated benefit management system utilizing Canada Revenue Agency data, and implement a responsive and accountable issues resolution process for clients.

## **COMMENTS**

Preliminary discussions with the Province indicate they are receptive to administering the program, with no additional administrative costs.

The housing allowance program recommended in this report will help up to 260 households requiring assistance to achieve housing stability. A payment of \$400/month will be provided to recipient households for a period of 1 to 3 years.

The intent of this program is to provide a transitional benefit that bridges recipient households to self-sufficiency or long-term support programs, depending on their service needs.

## **CONTACT**

Glenn Morgan, Director, Program Support  
Phone: 416-397-4161; E-mail: [GMorgan@toronto.ca](mailto:GMorgan@toronto.ca)

## **SIGNATURE**

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Phillip Abrahams  
General Manager  
Shelter, Support and Housing Administration