



REPORT FOR ACTION

Home for Good Program Implementation Plan

Date: October 11, 2017
To: Executive Committee
From: General Manager, Shelter, Support and Housing Administration and
Director, Affordable Housing Office
Wards: All

SUMMARY

The *Home for Good (HFG) Program* is an important step toward the provincial goal of ending chronic homelessness by 2025. The Province confirmed Toronto's funding allocation in a letter to the Mayor on September 11, 2017, allocating \$90,086,805 million from October 2017 to March 2020. It is expected that this program will create up to 2,000 much needed new units with supports for people who are homeless in Toronto.

On October 2, 2017, City Council adopted the report "Confirming Toronto's Participation in Ontario's Home for Good Program." This report directed staff to report back to the October Executive Committee on the capital and operating components and the resources required to administer the Home for Good program. This report responds to that request.

This investment in housing with supports represents a significant opportunity to achieve the goals set out in *Housing Opportunities Toronto*, the City's housing action plan 2010 - 2020 and Shelter, Support and Housing Administration's (SSHA's) *Housing Stability Service Plan*.

The purpose of this report is to provide details on the Home for Good implementation plan and to seek City Council authority to adjust the 2017 Approved Operating budgets of SSHA and the Affordable Housing Office (AHO) in order to receive the funding allocated by the Province.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration and Director, Affordable Housing Office, recommend that:

1. City Council authorize an increase to the Approved City Operating Budget for Shelter, Support and Housing Administration of \$2,140,188 gross, \$0 net for 2017, with a future year impact of \$20,496,974 gross, \$0 net for 2018; \$24,475,715 gross, \$0 net for 2019;

and \$6,118,929 gross, \$0 net for 2020, to be funded from the City's allocation of the Ontario Ministry of Housing Home for Good Program, with future year requests subject to Council approval through the annual budget process.

2. City Council authorize an increase to the Approved City Operating Budget for the Affordable Housing Office of \$22,500 gross, \$0 net for 2017, with a future year impact of \$1,732,500 gross, \$0 net for 2018; with monthly affordability payments for completed capital projects commencing in 2019 over 20 years from a total capital allocation to the City of \$35,100,000, \$0 net; to be funded from the City's allocation of the Ontario Ministry of Housing Home for Good Program, to be transferred upon receipt to the Capital Revolving Fund for Affordable Housing (XR1058), with future year staffing requests subject to Council approval through the annual budget process.

3. City Council authorize the General Manager, Shelter, Support and Housing Administration, to utilize the allowable administrative component of the City's operating allocation to hire a project team of eight full-time temporary staff, for the amount of \$108,947 for 2017; \$944,204 for 2018; \$967,809 for 2019; and \$248,001 for 2020 to administer and deliver the operating component of the program, with future year requests subject to Council approval through Budget Committee or the annual budget process.

4. City Council authorize the Director, Affordable Housing Office, to utilize the allowable administrative component of the City's capital allocation to hire and support two full-time temporary staff, for the amount of \$22,500 for 2017; \$274,097 for 2018; \$279,791 for 2019; and \$283,599 in 2020 to administer and deliver the capital component of the program and other related programs, with future year requests subject to Council approval through Budget Committee or the annual budget process.

FINANCIAL IMPACT

SSHA's and AHO's approved 2017 Operating Budgets, and subsequent year Operating Budgets, will be increased as follows, subject to Council approval through the annual budget process (all figures gross, and \$0 net):

Year	SSHA Operating Component \$	AHO Capital Component \$	Total \$
2017	2,140,188	22,500	2,162,688
2018	20,496,974	1,732,500	22,229,474
2019	24,475,715	35,100,000 see note below	59,575,715 see note below
2020	6,118,929		6,118,929
Total	53,231,806	36,855,000	90,086,806

Note: The capital component of the HFG program will be delivered as monthly affordability payments over 20 years once the projects are completed, projected to begin in 2019. These will be approved through project-specific funding reports for consideration by Council in December 2017 and 2018.

The SSHA and AHO funding amounts reflect the allocation of operating and capital funds determined by the Province in response to an Expression of Interest submitted May 19, 2017 by SSHA and the AHO to the Ministry of Housing regarding the Home for Good Program.

Operating Component Administration Funding

Under the criteria set by the provincial government, up to 10% (\$5,323,180) of the allocated operating funds can be used by the Service System Manager to execute the operating component of the program, including delivering housing assistance and support services for those homes created through the capital component of the HFG program. The SSHA operating component project team of eight staff will be responsible for the following elements:

Grants Administration:

- Issue 2 to 3 Requests for Proposals
- Execute Agreements with funded community agencies
- Ensure financial accountability through analysis and approval of budgets

Client Matching and Unit Allocation:

- Oversee assessment of housing needs of up to 2,000 clients
- Coordinate referrals and match 2,000 tenants to appropriate levels of support

Program Design, Evaluation and Data Analysis:

- Develop tools and resources for program design and delivery
- Develop and execute an evaluation framework and performance indicators
- Meet provincial reporting requirements and report on program outcomes
- Develop systems for tracking funding allocations, monitoring performance, tracking client outcomes and producing data reports

Capital Component Administration Funding

Under the criteria set by the provincial government, up to five per cent of the allocated capital funds can be used by the Service System Manager to execute the capital component of the program. The province set the capital administration component at \$1,755,000. This funding will support the addition of two AHO staff to be responsible for the following elements:

Affordable Housing Development, Oversight and Administration:

- Management of competitive processes
- Contribution Agreements with each project
- Coordination with SSHA on the delivery of housing assistance and support services
- Delivery of capital funding in the form of affordability payments

Policy Resources:

- Accountability, value for money and reporting to the Province and the City
- Evaluation and reporting of program implementation and effectiveness

EQUITY IMPACT STATEMENT

Increasing the availability of housing with supports responds to the needs of vulnerable people in the City of Toronto. Projects and programs funded through Home for Good seek to improve the lives of people who are homeless or at risk of homelessness, which includes equity seeking groups such as Indigenous people, women, youth, seniors, people with disabilities, individuals with mental health issues, and other vulnerable groups in the City of Toronto.

DECISION HISTORY

At its meeting on October 2, 3, and 4, 2017, City Council approved the participation of SSHA and the Affordable Housing Office in the provincial Ministry of Housing Home for Good Program, in which the City would receive \$90,086,805 million in funding to invest in capital projects and operating programs over the next two and a half years. This report directed staff to report back to the October Executive Committee on the capital and operating components and the resources required to administer the Home for Good program.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX27.17>

At its meeting on December 16, 17, and 18, 2013, City Council adopted the 2014-2019 Housing Stability Service Plan (HSSP). The HSSP outlines the Division's strategic directions, which include creating housing opportunities for clients with a range of service needs through new programs and new service linkages.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CD25.10>

The Housing Opportunities Toronto Affordable Housing Action Plan 2010-2020 was adopted by City Council at its meeting of August 5 and 6, 2009. HOT proposes 67 actions laid out in eight strategic themes to address Toronto's housing needs, including creating housing with supports to help homeless and vulnerable people find and keep homes.

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-08-05-cc38-dd.htm>

COMMENTS

Overview of the *Home for Good* Program

The *HFG Program* is an important step toward the shared goal of ending chronic homelessness. The Province confirmed Toronto's funding allocation in a letter to the

Mayor on September 11, 2017, allocating \$90,086,805 million from October 2017 to March 2020. It is expected that the HFG Program will create up to 2,000 new units with supports for people who are homeless in Toronto.

The HFG Program includes two components: operating funding and capital funding.

The operating funding component can be used for housing assistance and/or housing supports for people who meet one or more of the provincial homelessness priority areas: chronic homelessness (six months or longer), Indigenous people who are homeless, youth who are homeless, and those leaving institutional care into homelessness.

The capital funding component must be used to increase the physical supply of housing with supports units, including new construction, acquisition and rehabilitation of existing residential rental buildings, or conversion of non-residential buildings/units to purpose-build rental buildings/units. Capital projects must have rents that are, on average for the project, at or below 80% of the CMHC Average Market Rent (AMR) for the community. Rents must remain affordable for a minimum of 20 years. All units must be connected with housing assistance and supports.

Operating Funding Implementation

The HFG program is currently funded until March 31, 2020 and will roll-out in phases over this duration to ensure the effective delivery of the funding and to maximise the impact of the investment.

Starting in November 2017, SSHA will expand three components of the successful Coordinated Access to Housing Supports Pilot Program, with specific allocations for Indigenous and Youth services, to approximately 300 more households:

- Bridging Grant component: a grant of up to \$2,500 provided to assist people who are chronically homeless to pay first and last month's rent so they can secure private market housing.
- Housing Allowance component: a subsidy to improve affordability for people who are chronically homeless and moving into private rent housing to help them stay housed. Current housing allowances provide up to \$600 per month per household; additional amounts may be considered in future as the program develops.
- Follow-Up Support component: intensive case management (ICM) supports are provided by community agencies to people who are chronically homeless and moving into private rent housing to help them stay housed.

In January 2018 funding for a range of on-site and scattered site, moderate and high intensity supports will be available to existing non-profit housing providers selected through a Request for Proposals (RFP) process to support a further approximate 1,000 households who are moving from chronic homelessness into their units. In response to recommendations included within the Tenants First report, opportunities will be explored to provide funding for community agencies to provide support tenants of Toronto Community Housing who have recently moved from shelter or the street and meet the provincial eligibility criteria.

In April 2018 funding for innovative proposals for on-site and/or scattered site intensive supports will be available for community agencies and non-profit housing providers to support approximately 350 households. These proposals will identify innovative program solutions with the goal of supporting people who are moving from chronic homelessness and have significant health, mental health and addictions issues to help them stay housed.

Once completed, an additional 235 households will be able to access new homes created through the capital component of the HFG program. HFG requires that they include operating support through housing assistance and support services. This approach supports City priorities to transition vulnerable people from the shelter system through the provision of stable, supportive housing.

Capital Combined With Operating Funding Implementation

Two of the capital projects submitted for funding result from the efforts of the City of Toronto to work with Toronto Community Housing to modernize and re-purpose certain housing assets. The deteriorated and mainly vacant rooming houses located at 13-15 and 17-19 Winchester Street have been identified as an opportunity for modernization to provide 35 single-room occupancy supportive rental apartments. This project will be operated by Margaret's Housing and Community Support Services and will include intensive wrap-around housing support services and housing assistance provided through the HFG operating funding and/or other available funding sources.

The property at 389 Church Street is an underutilized 13-storey TCHC building on the north-east corner of Church and Granby Streets that has reached the end of its useful life cycle and will be modernized and fully repurposed to provide 119 one and two bedroom affordable rental apartments. The modernization of this property will be overseen by TCHC and operated by a non-profit organization selected through a competitive proposal call. HFG operating funding and/or other funding sources will be used to provide a range of moderate to high housing support services.

Staff will also be working with TCHC and non-profit housing organizations to identify other suitable housing with supports opportunities that could be developed within the timeframe and program guidelines of the HFG capital program component during Year Two of the HFG program.

AHO staff will be reporting to the November Executive Committee on plans for the Church Street and Winchester Street initiatives, and at that time, will make funding recommendations.

Funded Administrative Resources

To ensure the successful and effective implementation of the HFG program within the aggressive provincial timeline, the Province allows Service System Managers to use a percentage of the funding to execute the program.

The proposed staffing positions to enable the delivery of the SSHA operating and AHO capital components of the HFG program are outlined below. These positions may be

subject to change depending on the needs identified throughout implementation of the program. A breakdown of the estimated staffing costs over the funding period to March 2020 period is also provided.

Proposed Temporary SSHA positions (see comment above)	Number of Temporary positions	2018 Annual Salary & Benefits amount \$	Proposed AHO Temporary positions (see comment above)	Number of Temporary positions	2018 Annual Salary & Benefits amount \$
Support Assistant A	1	89,490	Housing Development Officer	1	133,235
Housing Consultant	1	129,054	Policy Development Officer	1	140,862
Project Manager	1	129,054			
Policy Development Officer	1	119,427			
Systems Integrator 2	1	103,937			
Policy and Research Consultant	1	115,712			
Agency Review Officer	2	257,530			
Total	8	944,204		2	274,097

Budget year	2017	2018	2019	2020
Staffing costs \$ - SSHA	108,947	944,204	967,809	248,001
Staffing costs \$ - AHO	22,500	274,097	279,791	283,599

Operating Component Administration Funding

Under the criteria set by the provincial government, up to 10% (\$5,323,180) of the allocated operating funds can be used by the Service System Manager for administrative purposes. The SSHA project team of eight staff is needed immediately and will be essential to the successful development and implementation of the operating component of the program, including the operating of homes created through the capital component of the HFG program.

They will be responsible for the following elements:

Community Partnerships and Grants Administration

Up to 100 new projects operated by community agencies through funding agreements, including project created through the capital component of the HFG program, will be implemented through HFG. Allocating and monitoring funded projects is a core element of the program. These programs will need to be monitored to ensure funding is being used in accordance with HFG guidelines, the Provincial Transfer Payment Agreement, and City Council direction and objectives. Staff will issue Requests for Proposals, select successful projects, execute Agreements between the City and funded community agencies, provide advice and direction to agencies in areas of program delivery, financial administration, governance, and ensure financial accountability through analysis and approval of budgets.

Housing Benefits Administration

Up to 1500 new housing allowances will need to be administered through the HFG program, including for those homes created through the capital component of the HFG program. Resources are required for the assessment of eligibility and affordability for each household, encouraging the effective utilization of financial resources to help people achieve housing stability through the housing allowance program.

Provision of Housing Assistance and Support Services for New Homes Created Through HFG Capital Component

SSHA staff will work with the AHO to coordinate delivery of housing assistance and support services required under the HFG program guidelines for new homes created through the capital component of the program.

Landlord Engagement and Recruitment

SSHA's program plan includes leveraging 300 private market rental units to house people who are experiencing chronic homelessness. With limited capital funding to create new units, access to these units is essential to the program's success. In response to feedback from staff and community agencies, and in response to the challenges of accessing affordable private market units in Toronto's competitive rental housing market, engaging and working with private landlords is critical to ensure a sufficient number of units are available for the program goals to be met.

Client Assessment of Housing Need

A key element of supporting people to exit homelessness and stay in housing is to ensure varying levels of support are available and matched to tenants according to their level of need. Resources are required for overseeing assessment of housing needs of

up to 2,000 clients, training of community agencies, coordinating referrals and matching clients to housing units with the right level of support.

Program Design, Evaluation and Data Analysis

An essential element of the HFG program will be our capacity to evaluate the program's implementation and effectiveness in achieving the desired outcomes for people who are homeless, including assessing the impact on reducing shelter system occupancy pressures. Program development and evaluation resources will be required to develop tools for program design and delivery, to develop and execute an evaluation framework and meet provincial reporting requirements on program outcomes. IT resources will be essential to the implementation of an effective and efficient solution for tracking HFG funding allocations, monitoring performance and data reports, and managing this funding program to ensure efficient allocation of financial resources and effective client outcomes.

Capital Component Administration Funding

Under the criteria set by the provincial government, up to 5% of the allocated capital funds can be used by the Service System Manager for administrative purposes. The province set the capital administration component at \$1,755,000. This funding will support the addition of two temporary staff, beginning in December 2017 for three years, to be added to the AHO complement. The new staff will work with the current staff team to implement the capital component of the HFG program, to be accompanied by HFG operating funding, ensuring compliance with the Program Guidelines including accountability and value for money.

Housing development resources are needed to provide oversight and administration of new affordable supportive housing developments approved under the HFG program, including entering into Contribution Agreements with each project; management of competitive processes; coordination with SSHA on the delivery of housing assistance and support services which are required under the HFG Program Guidelines; and the determination of eligibility for affordability payments once project milestones are met.

Policy resources will support accountability, value for money and reporting to the Province and City, including the evaluation and reporting of program implementation and effectiveness of providing supportive housing with assistance and support services to assist people with physical and mental health challenges to achieve and maintain housing stability and reduce homelessness.

Conclusion

The provincial Home for Good Program allocation of \$90 million over three years will provide funding to assist up to 2,000 people in need of housing with supports. This investment in housing with supports represents a significant opportunity to achieve the goals set out in SSHA's *Housing Stability Service Plan* and will also support the City in working to achieve the goals of Toronto's 10 year Housing Opportunities Toronto Action Plan 2010-2020. The approach to program implementation outlined in this report will assist vulnerable people who are homeless to secure and maintain housing, the first step to achieving an improved quality of life and wellbeing. By ensuring that the right supports are available, the program will also support long-term shelter stayers to exit homeless, reducing occupancy pressures in the shelter system.

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