

ATTACHMENT 3 – Update on Tenants First Phase 1 Implementation Plan

This Attachment provides an update on the work completed as part of Tenants First Phase 1 Implementation Plan, including work to agree the core mandate for Toronto Community Housing, focus areas where further work is required to define City and TCHC roles and responsibilities, preliminary results from the three Tenants First pilots, and progress towards the transfer of the scattered housing portfolio.

3.1 Overview of work to define Toronto Community Housing Corporation's Core Mandate

Defining the core mandate requires understanding the expectations of Toronto Community Housing as a social housing provider, reviewing additional Council Directions to Toronto Community Housing as the City's Local Housing Corporation, and also understanding which non-housing services Toronto Community Housing delivers to tenants and why. The work to define the mandate builds on objectives for social housing providers developed by the City's Shelter, Support and Housing Administration Division through the Raising the Bar project in 2015. Raising the Bar aimed to develop a regulatory framework for all social housing providers in Toronto, to ensure that the social housing system can deliver a consistently high level of quality, sustainable housing, which aligns with the City's housing goals. These objectives were developed with input from a Housing Provider Advisory Group, which included Toronto Community Housing. These objectives form the basis for Toronto Community Housing's core mandate. The Raising the Bar framework has not yet been finalized.

In addition to the Raising the Bar objectives, City and Toronto Community Housing staff reviewed Council directions and City strategies and identified 52 additional objectives set by City Council for Toronto Community Housing. In a series of collaborative workshops in December 2018, City and Toronto Community Housing staff reviewed these objectives to consider whether it is realistic and reasonable for Toronto Community Housing to continue to aim for these additional objectives. Staff also reviewed Toronto Community Housing's current lines of business, identifying whether each line of business is core for all social housing providers, required because of the large size and scale of Toronto Community Housing, or a response to Council direction or other unique circumstances.

Through these workshops, City and Toronto Community Housing staff have agreed that many of Toronto Community Housing's current business lines are part of the core mandate of a social housing provider (see Table 1 below). As a Corporation, the Toronto Community Housing Board of Directors and Executive Leadership Team has responsibility for the pillars identified in Raising the Bar as Governance, Financial Viability, Management, and Building Maintenance and Improvement. For these four areas, staff identified the need to clarify definitions, processes, and measurable outcomes through accountability instruments, but agreed that Toronto Community Housing is solely responsible for delivering these services. These services will be fully funded through the Permanent Funding Model.

TCHC and City staff also identified that under the Raising the Bar pillars "Resident Services" and "Resident and Community", there are a number of services for which TCHC is solely responsible, and other services for which Toronto Community Housing and the City are jointly responsible. Joint responsibilities include developing staffing models for joint service delivery models (for example, the integrated service model for seniors' housing); and revitalization. Further work is required to come to consensus about City and Toronto Community Housing roles and responsibilities in addressing six focus areas of joint responsibility. These areas are described in 3.2 below.

Further, City and Toronto Community Housing staff have identified a number of activities which could be removed from Toronto Community Housing's mandate through the new Shareholder Direction. These activities include facilitating the conversion of buildings to cooperatives and developing affordable ownership housing. Staff consider that these activities are best carried out by other parts of the City.

In addition to the activities outlined in the core mandate, City and Toronto Community Housing staff have identified that Toronto Community Housing should have the flexibility to develop partnerships with organizations where these partnerships will benefit tenants (for example, administering scholarships and grants funded through the private sector; or the current partnership with a telecommunications provider to offer low-cost telephone and internet services). Clearly defining the core mandate and appropriately funding Toronto Community Housing to deliver that mandate will result in new tenant-focused service delivery models across the portfolio.

The core mandate presented below can be aligned with the work completed by Toronto Community Housing in 2017 to outline their core business areas (see Appendix 4 in 2018.EX30.2). The business areas "Clean buildings" and "Well-maintained buildings" fall within the Raising the Bar pillar of "Building maintenance and improvement"; and three other core business areas ("Tenant safety", "Tenancy management and supports", and "Partner in Community building") are covered by the pillars "Resident Relations" and "Resident and Community Engagement". Revitalization was also identified as a core business area by TCHC in 2017, but through the Tenants First work has been identified as a joint responsibility of both the City and Toronto Community Housing.

Table 1 below sets out the proposed core mandate. Activities within TCHC's core mandate will be funded through the permanent funding model. Additional funding strategies for activities that fall outside of the core mandate will be developed and will include accessing available funding from other orders of government.

Table 1 Activities inside and outside Toronto Community Housing's core mandate

PROPOSED CORE MANDATE		OUTSIDE PROPOSED CORE MANDATE
Responsibilities of Toronto Community Housing as a Social Housing Provider <i>(based on six pillars of the Raising The Bar framework)</i>	Responsibilities of Toronto Community Housing as the City's Local Housing Corporation <i>(based on collaborative mandate workshops and Council directions)</i>	Joint responsibilities of Toronto Community Housing and City <i>(based on collaborative mandate workshops and Council directions)</i>
Governance		
<i>The TCHC Board of Directors leads and directs in an effective, ethical and transparent manner to fulfill the organization's mission and obligations and achieve good outcomes for residents</i> (includes but not limited to: strategic planning; oversight of operational and financial plans; complying with legal requirements; succession planning and training plans; performance management of staff)	<ul style="list-style-type: none"> Work with City divisions to develop and implement strategies and programs to respond to City priorities. 	<ul style="list-style-type: none"> Work with City divisions to develop and implement strategies and programs to respond to City priorities.
Financial viability		
<i>TCHC manages their resources responsibly and efficiently to ensure financial viability and accountability for public funds</i> (includes but not limited to risk management; financial controls, systems, policies and procedures; ensuring value for money; maximising revenue; planning and budgeting including capital planning; reporting; and leveraging partnerships)	<ul style="list-style-type: none"> Integration with City budget process Integration with City capital planning process Improved reporting through Permanent Funding Model and new accountability framework 	
Management		
<i>TCHC has effective people and systems in place to meet the operational needs of the organization and deliver quality service</i> (includes but not limited to: IT and document retention systems; human resources: skills, expertise; professional development; training plans; staffing and organizational structure)	<ul style="list-style-type: none"> Liaise with elected officials and the City's accountability officers. Develop and implement policies as required to meet standards expected of City Corporations (e.g. Senior Executive Compensation policy) Develop guidelines and deliver appropriate training for frontline staff and management. Participate in City-led communities of practise. Expand collection and analysis of disaggregated data on tenant demographics, in order to develop policies and strategies 	<ul style="list-style-type: none"> Work with City to design staffing and organization structure for joint service delivery models (egg. Integrated Service Model).

PROPOSED CORE MANDATE		OUTSIDE PROPOSED CORE MANDATE
Responsibilities of Toronto Community Housing as a Social Housing Provider <i>(based on six pillars of the Raising The Bar framework)</i>	Responsibilities of Toronto Community Housing as the City's Local Housing Corporation <i>(based on collaborative mandate workshops and Council directions)</i>	Joint responsibilities of Toronto Community Housing and City <i>(based on collaborative mandate workshops and Council directions)</i>
	to improve services to specific populations. <ul style="list-style-type: none"> • Offer social procurement programs. 	
Building maintenance and improvement		
<i>TCHC maintains and improve their buildings so that residents' homes are kept in good condition now and in the future</i> (includes: ensuring healthy buildings; meeting legal requirements; maintenance and preventative maintenance; capital planning and implementation; emergency planning and resiliency planning; risk management; energy management; documentation and record keeping; accessibility and accommodation; safety and security)		<ul style="list-style-type: none"> • Revitalization
Resident Relations		
<i>TCHC delivers high-quality service in a fair, respectful and responsive manner to residents and applicants</i> (including but not limited to RGI administration; rent collection; communicating with tenants; promoting successful tenancies and preventing eviction; work with vulnerable individual tenants; meeting legislative requirements under: Accessibility for Ontarians with Disabilities Act, Ontario Human Rights Code, Privacy Act, and Residential Tenancies Act; safe buildings)	<ul style="list-style-type: none"> • Participate in City-led initiatives to resolve situations involving vulnerable tenants (e.g. SPIDER, FOCUS) • Develop and implement harm reduction policy 	<ul style="list-style-type: none"> • Work with City to prevent evictions where possible. • Work with City and other partners to implement integrated service model in seniors buildings. • Work with City and other partners to implement integrated service model in high-needs buildings.
Community and Resident Engagement		
<i>TCHC fosters strong community by connecting with local resources, engaging with and empowering residents</i> (including but not limited to: communicating with tenants; being aware of residents' needs; facilitating resident input into organizational decision-making; fostering a sense		<ul style="list-style-type: none"> • Work with City to engage tenants in civic engagement processes. • Work with City to promote community safety and wellbeing.

PROPOSED CORE MANDATE		OUTSIDE PROPOSED CORE MANDATE
Responsibilities of Toronto Community Housing as a Social Housing Provider <i>(based on six pillars of the Raising The Bar framework)</i>	Responsibilities of Toronto Community Housing as the City's Local Housing Corporation <i>(based on collaborative mandate workshops and Council directions)</i>	Joint responsibilities of Toronto Community Housing and City <i>(based on collaborative mandate workshops and Council directions)</i>
of belonging and connectedness; facilitating mediation; safety; connecting tenants with services to support successful tenancies)		<ul style="list-style-type: none"> • Work with City to engage and support vulnerable youth populations. • Work with City to develop and operate community spaces accessible to wider community.

3.2 Discussion of Six Focus Areas for further work

1. Work with the City to prevent evictions where possible

Issue:

Tenants are evicted for many reasons. Some of these evictions are preventable, if early interventions are made. For example, evictions for arrears can be prevented if tenants in arrears are supported to reduce their arrears before they become unmanageable. Evictions for cause can often be prevented if tenants who disrupt other tenants or create safety risks receive timely and appropriate supports. If tenants are evicted without an adequate housing plan, they may end up homeless, living either in the shelter system or on the street.

Both the City and TCHC have an interest in maintaining the housing stability of TCHC tenants, ensuring that low-income and vulnerable residents are adequately housed. Best practise, including the Tenants First project to provide supports in rooming houses, suggests that early intervention will result in more tenancies being stabilized, fewer residents in the shelter system, and fewer legal resources required to complete eviction processes.

Comprehensive evaluation frameworks will be developed to ensure that the lessons from current City initiatives including supports in TCHC rooming houses, the Integrated Service Model for seniors housing, as well as the City's Eviction Prevention in the Community (EPIC) program, inform work to give clear direction to TCHC regarding their approach to eviction prevention.

Links to City initiatives:

- *Supports in TCHC rooming houses:* In January 2018, Council approved EX30.2 which envisaged a two-step process to improve supports for tenants in the 22 rooming houses owned by Toronto Community Housing. First, current tenants would be connected with supports through a partnership with a lead agency. Secondly ownership and operations of the rooming houses would be transferred to a supportive housing provider. In March 2018, existing City resources and Provincial Home for Good funding were used to fund supports to rooming house tenants. The

supports in rooming houses model is based on a strong collaboration between the City, TCHC and experienced non-profit organizations skilled in serving tenants with complex needs. In this model, TCHC provides housing service and a service provider offers support services. The service provider offers early intervention in tenancy issues that could lead to eviction. Implementing this model in 22 rooming houses has led to positive outcomes for tenants, and improved relationships between the rooming house tenants and the wider community.

Integrated Service Model for seniors housing: The Integrated Service Model for seniors housing will be implemented at 10 sites in 2020. This model will also test the effectiveness of early intervention as a way to improve housing stability and reduce legal costs.

2. Implement integrated service model in high-needs communities

Issue: TCHC and City staff have identified a number of communities with a high concentration of vulnerable tenants. These 'high-needs' communities currently utilize significant City, LHIN-funded and TCHC resources and are recognized as challenging buildings for tenants, staff and the wider community.

To address these challenges, it is necessary to develop specific strategies for high needs buildings to connect individual tenants with supports and to supply community-based supports. Elements of these strategies may be outside of TCHC's core mandate. The goal is to focus TCHC on delivering core social housing services to tenants, and engage health and social service agencies to provide additional services in high needs communities.

Comprehensive evaluation frameworks will be developed to ensure that the lessons from current City initiatives including a comprehensive strategy for Dan Harrison and modernizing 389 Church Street, inform work to give clear direction to TCHC regarding their role in providing wrap-around supports in high-needs buildings.

Links to City initiatives:

- *Comprehensive strategy for Dan Harrison:* In April 2019, Council directed staff to renew a comprehensive strategy to address the long-standing complex challenges at the Dan Harrison complex (MM6.13). The Dan Harrison Complex is a high needs building that is currently being reviewed by a joint City-TCHC group to create a long-term plan for the property, with a view to how it fits in to the greater community. This process will include a phased approach beginning with immediate changes to stabilize the building and community, moving on to a more comprehensive plan to transform its place in the community.
- *Modernization of 389 Church:* In 2018, substantial renovations were begun at a TCHC property at 389 Church Street. Following renovation, the building will provide 120 affordable rental homes with supports for women. The renovated building will be transferred to a supportive housing provider.

3. Promote community safety and wellbeing

Issue: Some Toronto Community Housing communities experience a disproportionate level of serious violence when compared to the rest of Toronto. Toronto Community Housing has a responsibility as a landlord to maintain rental properties safely. This responsibility can include evicting tenants for impairing the safety of the premises. However, issues in the wider community affect safety at Toronto Community Housing buildings. The City also has a role in promoting safety in vulnerable communities through Toronto Police Services, community violence reduction programs, and community development.

Through engagement, we have identified that tenants are concerned about:

- Poor surveillance and security
- Unauthorised access to buildings
- Lack of supports for individual tenants
- Conflict within the community
- Noise, garbage and smoking
- Relationships between tenants, Community Safety Unit, and Toronto Police Service

Staff are working on a jurisdictional review examining how public housing organizations intersect with policing and community safety in other jurisdictions. Further work needs to be done to evaluate the methods currently used by Toronto Community Housing for delivering community safety services.

Links to City initiatives:

- *Violence Reduction Plan:* In March 2019, City Council directed Toronto Community Housing Corporation to work in partnership with City staff to co-develop a comprehensive violence reduction plan.
- *Community Safety and Wellbeing Plan:* The City is also developing a Community Safety and Wellbeing Plan, as mandated by the Province.

Focus area 4: Tenant participation and decision-making

Decision point:

Clause 9.1 of the current Shareholder Direction requires that:

"Toronto Community Housing and tenants will maintain a democratic system of active tenant participation and involvement that will:

- A. provide a tenant council structure or similar organization;
 - B. Provide for tenant input for decisions at the corporate and local levels;
 - C. Provide for tenant input for setting local spending priorities and service levels; and
 - D. Include tenant representation on the Board as contemplated by Section 6.1"
- City Council will need to decide what level of direction about the nature of tenant participation is appropriate in the Shareholder Direction, and whether to amend this section of the Shareholder Direction.

Issue: In 2016, the Mayor's Taskforce identified that Toronto Community Housing's tenant engagement system needed to be improved to increase participation and facilitate tenant input on local issues. The Mayor's Taskforce also identified the value of better connecting tenants with local agencies, neighbourhood leaders and Ward Councillors through geographically-organized committees.

Since 2015, Toronto Community Housing has been working with tenants to redesign their tenant engagement system. This process began with the 'Take Five' survey (2015), led by tenants, and resulted in the "City-wide Tenant Staff Engagement Advisory Committee" report (2017) which included 52 recommendations for Toronto Community Housing staff. This report was adopted by the TCHC Board in 2017. TCHC staff and tenants have also developed a Tenant Charter, which communicates Toronto Community Housing's service commitments and sets out accountabilities for all tenants and employees. With regard to the tenant engagement system, the Tenant Charter states that all tenants will:

- "Have the opportunity to vote for position(s) in Toronto Community Housing's Tenant Engagement System;
- Have the opportunity to take a leadership role in organizing local initiatives and represent the needs and wishes of their community".

In 2018, Toronto Community Housing carried out an extensive consultation process to refresh the tenant engagement system. Key questions about the Tenant Engagement System Refresh were included in the Tenant Experience Survey which was sent to a random sample of 16,900 households in October 2018. 2,380 tenants completed the questions relating to the Tenant Engagement System, with the majority selecting a 'Building or Townhouse Committee' as their preferred option for increasing tenant participation in local decision-making getting. A draft tenant engagement system model was presented for feedback and validation to tenants in fall 2018. In early 2019, tenants raised the importance of having communities decide on the local engagement model that best suits their communities. As a result, TCHC have committed to a process to allow communities to vote on the model of their preference.

The proposed tenant engagement system structure was approved by the Tenant Services Committee of Toronto Community Housing Board of Directors (the Board) in May 2019 and will be considered for approval by the Board in June 2019. If approved, the refreshed tenant engagement system will be established in stages in 2019 - 2020. Toronto Community Housing also recognizes the need to change how they communicate with tenants, including using online platforms as well as traditional methods such as the Tenant Loop newsletter.

There are four key components of the refreshed tenant engagement system:

- Representation at the building/townhouse level; community or Operating Unit level; and city level
- Range of options for representation at the building/townhouse level, comprising: elected Community Representatives; Building or Townhouse Committees open to all; or independent Tenant Associations.

- Processes to identify priorities for each building or townhouse community, which are aggregated into community priorities, and city-wide priorities.
- Community Action Plans that outline activities and solutions to the tenant identified priorities in each building and community, and to inform Toronto Community Housing's Business Plan.

As illustrated in the two Tenants First pilots focussing on community development, there are opportunities to better connect the Toronto Community Housing tenant engagement system to the City's civic engagement tables and networks, including Local Planning Tables operating in Neighbourhood Improvement Areas under the Toronto Stronger Neighbourhood Strategy. Outside of Neighbourhood Improvement Areas, a long-term goal of the tenant engagement system can be connecting tenants to other geographically-based multi-stakeholder tables, including Social Development Plan tables in Toronto Community Housing revitalization areas.

Links to City initiatives:

The Community Development Unit is currently undertaking an evaluation of the Toronto Stronger Neighbourhoods Strategy, and will report back to City Council in 2020.

Focus area 5: Provide affordable access to community space

Issue:

There are a number of spaces within TCHC buildings which are appropriate for use by the wider community - for example, spaces which are located on the main floor, and can be accessed from the street. Some community organizations and service providers attempting to use these spaces report barriers to accessing space, including difficulty in negotiating Use of Space agreements, challenges in negotiating new leases, and that spaces are poorly maintained. Tenants report that it is sometimes difficult to access space for tenant-led initiatives, and non-TCHC tenants encounter barriers relating to insurance and the current TCHC policy for prioritizing activities which benefit tenants. Because of these barriers, there is a perception that spaces in TCHC buildings are under-utilized.

In 2018, Toronto Community Housing created a Collaboration framework to guide the organization's decision-making regarding partnerships, including relationships with tenant-led groups and agencies using spaces to provide programs and services to tenants. The Collaboration framework has also resulted in new Non-Residential Use of Space policies. These policies present a consistent approach to issues including eligibility criteria for rental space, fees and rental charges, and insurance requirements. Work to implement this framework includes a review of Use of Space agreements and leases of space to groups and agencies across the portfolio.

In April 2019, City Council adopted EX4.3 which directed the President and Chief Executive Officer, Toronto Community Housing Corporation to temporarily suspend the re-negotiation of current community leases that raise the current rent paid to Toronto Community Housing Corporation, in excess of Consumer Price Index as the City works to develop a Permanent Funding Model for Toronto Community Housing Corporation.

Links to City initiatives:

- In 2017, the City developed a Community Space Tenancy Policy to provide a consistent, fair, accountable and transparent approach to leasing City space to community-based service sector and cultural organizations at less than market rates, and to foster partnerships that support these organizations to meet resident needs. <https://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-104379.pdf>
- In 2017, the City also adopted the "For Public Benefit: City of Toronto Framework for Working with Not-for-Profits" to enable the City to optimize its relationship with the not-for-profit sector and strategically and consistently support respond to the sector's contributions to the public good. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD24.4>

Focus area 6: Work with vulnerable youth populations, including increasing opportunities for recreation and employment

Issue:

The Toronto Youth Equity Strategy directed TCHC to undertake a number of actions to improve access to recreation, employment and mental health supports, as well as reviewing its youth engagement process to ensure access is equitable and barriers minimized to support youth most vulnerable to involvement in serious violence and crime to being involved in feedback and decision-making within the organization. Toronto Community Housing currently delivers a range of services for youth, including youth recreation programs; community economic development; and youth engagement.

The Youth Pilot illustrates that, if given resources to dedicate to youth, TCHC staff can form trusting relationships with youth. These relationships can lead to increased engagement of youth living in Toronto Community Housing in wider civic initiatives (e.g. Neighbourhood Planning Tables etc.). The Youth Pilot also illustrates that there is a demand for youth-focussed access and support services, across the TCHC portfolio. Having youth-focussed staff leads to good outcomes in engagement, supports and employment, better supporting youth has a positive impact on families and communities.

Toronto Community Housing staff feel strongly that Toronto Community Housing should continue to work specifically with youth, and to offer community economic development services to youth as a pathway out of housing. Tenants First will work closely with the City's Youth Service Review to align outcomes, improve service coordination and ensure the needs of youth living in Toronto Community Housing are addressed.

Through the Youth Pilot, youth having identified top issues for their communities including:

- Safety
- Maintenance
- Hubs and community space
- Programs for youth (skills and training; health and sports)
- Employment and career development

Links to City initiatives:

- *Optimizing Youth Service Delivery:* The City of Toronto is currently undertaking a Youth Service Review in order to optimize service delivery for youth most vulnerable to serious crime and violence. The scope of the Review includes Toronto Community Housing programs and services focused on youth. The findings of the Review will be reported to Economic and Community Development Committee in the second quarter of 2020.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC1.6>

3.3 Preliminary results from Tenants First Pilots

The Tenants First Implementation Plan approved by City Council in June 2016 recommended working with Toronto Community Housing to develop and deliver three pilots to inform the work of Tenants First. The first pilot was focused on evaluating the benefits of a decentralized or local service delivery model. The pilot aimed to test the impact of changes in the way that Toronto Community Housing delivers service, with a focus on local, faster decision-making, partnerships and improving customer service to tenants. The results of this pilot will help to inform work on innovative service delivery models across the Toronto Community Housing portfolio.

Two additional pilots were focused on exploring new models of local community engagement. The pilots explored opportunities to align systems and explore strategic partnerships to connect Toronto Community Housing communities to their surrounding neighbourhoods. These pilots have contributed to work to define the core mandate by documenting the roles that Toronto Community Housing and the City play in community development.

An evaluation has been substantially completed for the three pilots. Highlights from the evaluation, relevant to a new mandate for Toronto Community Housing, include:

Local Action Planning pilot:

- Toronto Community Housing's role in community development
 - TCHC's strengths are in engaging with residents who live within TCHC buildings.
 - Difficult for TCHC to engage with residents of non-TCHC buildings, and access non-TCHC buildings.
 - TCHC tenant engagement could be more closely connected to the City's Local Planning Tables in Neighbourhood Improvement Areas.
- City and Toronto Community Housing can collaborate on community development
 - Requires clear roles and responsibilities.
 - Requires City resources.
- Use of community space
 - When space is intended for access by wider community, there can be barriers to tenants, non-TCHC residents, and organizations using community space in TCHC buildings.

- Challenges include Use of Space processes, property management, and TCHC's responsibility to prioritize the use of space for services that serve TCHC tenants.

Youth Services Pilot:

- Toronto Community Housing's role in youth engagement and community development
 - TCHC staff have interactions with tenants through landlord functions (e.g. Annual Rent Review) and engagement activities.
 - Through these interactions, staff are able to build relationships with youth through consistent and face-to-face contact.
 - City staff work at a city- or neighbourhood-scale, while TCHC staff work at a building-scale.
 - Opportunity for TCHC to help implement City strategies to address youth issues.
- Value of youth-focussed staff
 - Different approach to engaging youth was successful.
 - Providing support to youth can have a positive impact on their family's tenancy, and building trust with youth creates other community benefits.
- Integrating work with youth increases effectiveness
 - Value of engagement, Access and Support, and Community Economic Development staff working together to support and connect youth.

Decentralization Pilot:

- More opportunities to decentralize
 - Barriers to decentralizing services include system issues (i.e. limitations of IT system) and policy issues (e. procurement policies)
 - Business benefits of decentralization include more rent collected and fewer arrears.
- Lessons for Integrated Service Model
 - Reducing portfolio size and increasing support in office enables TSCs to focus on face-to-face engagement with tenants and eviction prevention processes
 - Co-locating Litigation Clerk with TSCs in Operating Unit office increases speed to process files
 - Decentralizing decision-making and resources (i.e. credit card) to Operating Unit allows staff to use online systems to file applications.
- Staff continue to believe in decentralization
 - Staff feel that meaningful decentralization will improve services to tenants.
 - Perceptions of local decision-making are important factors in staff satisfaction and engagement.

3.4 Update on the Scattered Homes Portfolio

Council has authorized the transfer of over seventy Agency, Rooming and Uninhabitable Houses. The process has begun to transfer these properties to the non-profit sector.

There have been significant challenges in transferring the houses authorized for transfer. Challenges are the result of encumbrances (Infrastructure Ontario Loans) and properties that require severances. Additionally, due to TCHC's antiquated tracking system it was challenging to compile accurate and up to date information about tenancies and building condition. We have worked to overcome these challenges and now have a work plan for each house that sets a target for transfer and outlines steps to effect the transfers. Agencies have been updated of the next steps and a joint working group of TCHC and City staff is working closely together to move forward on this.

In January 2018 Council directed TCHC and City staff to issue a joint Request for Proposals to the non-profit sector for the ownership and operation of 660 TCHC houses. This RFP was issued (or will be issued). In developing this RFP there were significant issues to be resolved.

The following summarizes the process to date:

- An Inter-divisional group at the City met several times to determine the most effective way to protect the properties for affordable housing, and to ensure that the properties would be conveyed to the City upon disposal
- Non-profits, through a market sounding, indicated a strong preference for transfer of title including land and the structure
- City and TCHC staff developed options for transfer, ensuring that in the years to come, the houses will be protected
- A variety of options were reviewed and a decision was made to:
 - Reserve the right to stratify and have the City own the air rights for certain properties. This will protect the lands if zoning changes and development is permitted in a way not anticipated at present. If a non-profit wanted to develop the property vertically it would need to obtain the rights back from the City.
 - Require a Social Housing Agreement, permitted through the City of Toronto Act be signed by non-profits and be registered on title for each property. This will require the City's consent to develop or sell the property, and will also give the City, as Service manager, the right to invoke remedies as outlined in the Housing Services Act, including appointing a receiver or appointing a new Board of Directors.
- There were additional complexities with the way the properties were bundled in order to allow for smaller, community groups to bid on parts of the portfolio while not dismissing the option for a larger group to bid on the entire portfolio. The City engaged with The Procurement Group to ensure that this was done in the most optimal manner.

The process to transfer the approved houses and the RFP process for the larger scattered portfolio are both underway now and it is expected that results will be considered by Council in Q4 2019.