

Toronto Community Housing Corporation
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2020 OPERATING BUDGET BRIEFING NOTE

City Funding to Toronto Community Housing Corporation

Issue/Background:

- At its meeting held on January 17, 2020, Budget Committee requested that TCHC provide a briefing note on the City's increase to Toronto Community Housing Corporation funding over the last five years (Motion 1k). This briefing note responds to that request. (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.BU14.2>)

Key Points:

- In 2017, \$37.2 million was added to TCHC's operating subsidy to stabilize its operations.
- In 2018 and 2019, the City began to fund TCHC's capital program directly through the Interim Funding Model, resulting in:
 - \$160 million dollar in capital funding in 2018, funded through City debt.
 - \$173 million in capital funding in 2019, funded through \$40 million of City debt and \$133 million from the Provincial Social Housing Apartment Improvement Program (SHAIP).
- Additionally, in 2018 and 2019, the City provided TCHC with funding of \$78M in total towards the completion of inflight phases of Council approved revitalization projects.
- For 2020 onwards, the City will introduce a Permanent Funding Model.
 - The model establishes a level of funding for the first year of implementation based on 75% of average market rent and annual increases to be applied in future years using a cost factor issued annually by the Ministry of Municipal Affairs and Housing, subject to review and consideration through the City's budget process.
 - This funding model includes \$160 million allocated annually for building repair capital and an additional \$11.8 million in operating funding as detailed in Table 1 below.

Table 1: City Funding to Toronto Community Housing Corporation

(in \$000s)	2016 Actual	2017 Actual	2018 Actual	2019 Projected Actual**	2020 Budget
Operating Subsidy	203,397	240,540	241,347	239,171	250,960
Capital Funding	-	-	160,000	40,000	160,000
One-Time Provincial Funding (SHAIP)	-	-	-	133,111*	-
Total	203,397	240,540	401,347	412,282	410,960

*\$76M is expected to be deferred to 2020

**2019 projected actual as of August 2019

Note: Table 1 excludes one-time revitalization funding of \$78M in 2018 and 2019

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