



TORONTO DROP-IN NETWORK

1415 Bathurst St.,
Toronto ON M5R 3H8

Ph: 416.824.4172

Fax: 416.925.2271

tdin@sschto.ca

www.tdin.ca

January 22, 2014

City of Toronto
Executive Committee
100 Queen Street West
Toronto, Ontario

Re: [Items EX37.1 & EX37.3 January 22, 2014](#)

Dear Deputy Mayor Kelly and Executive Committee Members,

I am writing to share the perspective from the drop-in sector to inform your review today of the proposed Capital and Operating Budget and the 2014 Property Tax Rates and to help inform the debate at Council next week. You have before you today a budget proposal that if approved will create the conditions for increasing and perpetuating homelessness in the city of Toronto. The two areas of concern are the budgets for Toronto Employment and Social Services and the Shelter Support and Housing Administration.

Drop-ins are located throughout the city of Toronto and provide services and supports to people in vulnerable situations which include coping with homelessness and extreme poverty. Drop-ins are accessed by and support both individuals and families with children (more people with children use drop-ins in the outer core than downtown). People seek support from drop-ins to meet basic needs and access social services for a variety of reasons. These reasons range from the purely economic, like coping with downturns in the economy, to the more complex interactions between health, chronic poverty and social isolation. People who use drop-ins rely on supports from the Shelter Support and Housing Administration and Toronto Employment and Social Services in order to survive.

Toronto Employment and Social Services provides the Housing Stabilization Fund (HSF) to provide support to people living far below the poverty line to help prevent homelessness by providing additional resources to prevent eviction when people, quite predictably given their very low incomes and high housing costs, fall into arrears. This fund is the primary tool social assistance recipients have to prevent eviction and it is being cut by \$4.8 million, or 70%, over 2013 levels. There is no question that people will lose their housing and become homeless without access to this fund. Decision makers must understand that preventing homelessness is not only the right thing to

St. Stephen's
Community House

www.sschto.ca

91 Bellevue Ave.
Toronto, ON M5T 2N8

Ph: 416.925.2103

Fax: 416.925.2271

Charitable Registration Number
11920 1960 RR0001



do, but also the most [efficient thing to do in terms of reducing costs](#) in the shelter and homeless services systems and in other municipally funded services like EMS and the Toronto Police Service.

A cut of this magnitude to a fund of this type hardly seems justified in the current context. The City of Toronto General Manager, Economic Development and Culture, [has reported to the Economic Development Committee of Council](#) that the unemployment rate in Toronto reached 10.1% this past December. We know that municipal governments have a limited role in influencing the unemployment rate as unemployment rates are dependent on interactions with other orders of government and shaped by market behaviour, national and international fiscal policy and outcomes and as a result challenges at the local level will persist. Periods of increased economic insecurity and the growing problem of income inequality displace people in the labour market and affect both housing stability and food security. We believe it is reasonable to expect and to plan for the emerging needs of Toronto residents in the areas of income support, food access and shelter & housing and vitally important to plan to meet the existing unmet need in these areas. A near-record number of Ontarians are using food banks, according to a [new report](#) from the Ontario Association of Food Banks (OAFB) and anti-poverty activists have rightly raised the alarm about the capacity of the shelter system to meet the need for emergency shelter.

The General Manager of Shelter Support and Housing has provided a [budget note](#) in response to recommendations to Budget Committee from the Community Development and Recreation Committee to increase the capacity of the shelter system to maintain 90% occupancy in any category of the shelter system. He advises that an investment of \$4.5 million is required and cautions that it will cost more to activate the 159 new beds; he also advises that investing the same amount of money will provide ongoing housing support to 937 people through rent supplements. We do not see the Community Development and Recreation recommendations reflected in the Shelter Support and Housing Administration budget. An investment of a minimum of \$4.5 million for a combination of new shelter beds and rent supplements will give the Shelter Support and Housing Administration the resources required to ensure the shelter system has the capacity to meet the need in the short term and to lay the foundation for building housing stability for Toronto residents in the long term.

For the first time, the Shelter Support and Housing Administration have developed a planning framework to inform City planning in the homeless services sector in Toronto. The overarching goal of this plan is to end homelessness and there is a good news story at the heart of the [Housing Stability Service Plan Framework](#), however, it will require adequate investment now in the areas of homelessness prevention and shelter

services to build a strong foundation for future success. If you do not vote for investment in housing stability and homeless services today and at Council next week you will hobble this plan increasing and further entrenching homelessness in Toronto.

We believe you have the revenue tools to address these pressing issues and to put forth a budget that not only meets immediate need, which is experienced on the individual level as intense suffering, but also lays the foundation for ending homelessness in Toronto. Initially City staff recommended a 2014 Residential Property Tax increase of 2.52% and subsequently Budget Committee voted to recommend a rate of 2.25% using revenue from the Municipal Land Transfer Tax at a cost of \$6.5 million to the City. A further \$1.92 million from Residential Property Tax assessment growth in 2013 was allocated to reduce the proposed 2014 Residential Property Tax rate further to 2.186%, just below the cost of living increase in Toronto. Combined these decisions reduce the City budget by \$8.48 million. The resources required to support the Housing Stabilization Fund and ensure the shelter system can meet unmet need is \$9.3 million. A Residential Property Tax increase of 2.186% translates on average to \$8.48 per payer. This is a minute sum when paid out to individuals; however, when aggregated across this City through the rates can produce significant gains for both individuals struggling with homelessness and the City services and homeless services system that supports them.

We believe Toronto residents are compassionate and care about the intense suffering cause by homelessness and extreme poverty in Toronto. Toronto residents are also looking for wise investment in public service. It would cost on average about \$9.50 per payer to address the issues raised in this letter. We are asking for your careful consideration and attention to these issues and your action today and at Council to address them.

Yours sincerely,



Linsey MacPhee
Manager

cc Toronto City Council
Toronto Drop-in Network Member Representatives
Toronto Drop-in Network Steering Committee