

Confirming Toronto's Participation in Ontario's Home for Good Program

Date: September 25, 2017
To: City Council
From: General Manager, Shelter, Support and Housing Administration
Director, Affordable Housing Office
Wards: All

SUMMARY

The purpose of this report is to obtain Council approval to participate in the provincial Home for Good (HFG) funding program aimed at assisting people who are homeless to secure and maintain housing with the appropriate supports. The program is targeted specifically at those who are chronically homeless, homeless youth, Indigenous people who are homeless, and/or people leaving institutional care into homelessness.

On September 11, 2017 the Mayor was notified by the Provincial Minister of Housing that the City of Toronto was successful in being approved for a total allocation of \$90,086,805 over three years for the new provincial Home for Good Program. The new funding provides over three years \$53,231,805 in an operating component and \$36,855,000 in a capital component. City staff welcome this funding as it will have a positive impact in the lives of people who are currently homeless in Toronto.

The Home for Good Program supports the City's Housing Stability Service Plan to create housing opportunities for homeless individuals and families in need of supports. The program also supports the City in working to achieve the goals of Toronto's 10-year Housing Opportunities Toronto Action Plan 2010-2020 and Toronto Prosperity, the City's poverty reduction strategy. Through the delivery of the operating and capital components of the Home for Good Program some 2,000 people experiencing homelessness will be assisted with housing and supports.

To secure participation in the Home for Good program, the City is required to enter into a Transfer Payment Agreement and submit a Take-Up Plan to the Ministry of Housing by October 31, 2017. As a result of this deadline and the urgency to deliver the first year (2017-18) funding, this report recommends that the General Manager, Shelter, Support and Housing Administration (SSHA), in consultation with the Director of the Affordable Housing Office (AHO), be authorized to enter into the Transfer Payment Agreement and submit the necessary Take-Up Plan. This report also recommends that staff be authorized to enter into agreements or other suitable arrangements to allocate and

deliver the Home for Good funding in accordance with the Provincial program guidelines.

RECOMMENDATIONS

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

1. City Council authorize the General Manager, Shelter, Support and Housing Administration, in consultation with the Director of the Affordable Housing Office, to enter into a Transfer Payment Agreement for operating and capital funding with the Ministry of Housing or related entity necessary for the receipt and expenditure of funding under the Home for Good funding program and to undertake appropriate measures as the program proceeds to adjust program parameters, recipients and year end funding among program components as required to ensure full and effective use of available provincial funds, on such terms and conditions as are satisfactory to the General Manager, Shelter, Support and Housing Administration, in consultation with the Director, Affordable Housing Office, and in a form approved by the City Solicitor.
2. City Council authorize the General Manager, Shelter, Support and Housing Administration, in consultation with the Director of the Affordable Housing Office, to write and submit the required Take-Up Plan to the Ministry of Housing outlining the forecasted number of recipients in 2017-18 and 2018-19, the types of supports to be made available and forecasted operating and capital expenditures.
3. Subject to the adoption of Recommendations No. 1 and 2, City Council authorize the General Manager, Shelter, Support and Housing Administration and/or the Director, Affordable Housing Office, as appropriate, to enter into agreements or other suitable arrangements with other City divisions, provincial agencies, community agencies, private entities and/or individuals to allocate and deliver the Home for Good funding in accordance with the provincial program guidelines.
4. City Council request the General Manager, Shelter, Support and Housing Administration, and the Director of the Affordable Housing Office to report to the Executive Committee in October on the capital and operating components of the Home for Good Program which will support the creation of new supportive housing, including any further recommendations to deliver the capital projects.
5. City Council request the General Manager, Shelter, Support and Housing Administration, and the Director of the Affordable Housing Office to report to the Executive Committee in October on the resources required to administer the program utilizing up to 10% of the operating allocation and up to five per cent of the capital allocation, including the need for additional new temporary staff to administer and deliver the program.

FINANCIAL IMPACT

On September 11, 2017 the provincial Minister of Housing informed the Mayor that the City of Toronto was successful in securing \$90,086,805 through the provincial Home for Good Program. The Province has allocated the City of Toronto \$23,885,375 in Year 1 of the program (2017-18), \$41,725,715 in Year 2 of the program (2018 -19) and \$24,475,715 in Year 3 of the program (2019-20).

Annual Funding Breakdown, Operating and Capital allocations:

	Total Funding	Operating Component	Capital Component
Year 1	\$23,885,375	\$4,280,375	\$19,605,000
Year 2	\$41,725,715	\$24,475,715	\$17,250,000
Year 3	\$24,475,715	\$24,475,715	\$0
Total	\$90,086,805	\$53,231,805	\$36,855,000

Staff will report in the future on the adjustments required to the 2017 Approved Operating Budgets for Shelter, Support and Housing Administration and the Affordable Housing Office to fund and administer the Home for Good program. Funding allocations for 2018 and future years will be included in the operating budget submissions for Shelter, Support and Housing Administration and the Affordable Housing Office.

No new financial commitments are required from the City to support the initiatives outlined in this report as all costs are to be recovered through provincial program funding and administration fees. The program allows up to 10% (\$5,323,180) from the total operating funding allocation to be used for administration costs over the three year period and up to five per cent (\$1,842,750) of the total capital funds to be applied to administration costs of the capital component.

Staff will be reporting to the Executive Committee in October on the proposed use of the administration funding, including additional temporary staff required to fully deliver the Home for Good Program.

SSHA and AHO oversight for Home for Good program allocations and expenditures are subject to strict monitoring and reporting in compliance with provincial guidelines, and are reported to City Council through the divisions' annual operating budgets.

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

EQUITY IMPACT STATEMENT

Increasing the availability of housing with supports responds to the needs of vulnerable people in the City of Toronto. The Home for Good Program will support a range of projects and programs which will 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 of December 16, 17, and 18, 2013, City Council adopted the 2014-2019 Housing Stability Service Plan (HSSP). The HSSP outlines Shelter, Support and Housing Administration'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 (HOT) 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 Home for Good Program

The Province of Ontario recognizes that supportive housing is a key component to assist people living with complex physical and mental health challenges to achieve and maintain housing stability. The provincial Home for Good Program is designed to support Ontario's goal of ending chronic homelessness by 2025.

To support the Home for Good Program, the province has committed \$200 million over three years to be invested province-wide. Funding is being delivered through three streams: select Service Managers, the Indigenous community and directly through Provincial Ministries.

Operating funding eligibility and implementation

The operating component can be used for housing assistance and/or housing supports. Housing assistance includes housing allowances, rent supplements and first and last month's rent deposits. Housing assistance can be used to subsidize housing costs for a variety of housing models, including transitional and/or dedicated housing with supports. The goal is to help those who are homeless to secure housing, while preventing chronic homelessness and supporting recipients to maintain stable housing over time.

Eligible housing supports include follow-up supports, case management, on-site and visiting supports. Service Managers are expected to prioritize recipients who meet the provincial priority areas: chronically homeless (homeless six months or more), youth who are homeless, Indigenous people who are homeless or people leaving institutional care into homelessness or at risk of becoming homeless.

Community-level collaboration and partnerships are encouraged throughout the program design, implementation, and administration. Service Managers are expected to partner with community agencies to deliver programs, particularly those which have experience with:

- Delivering programs in the four provincial priority homelessness areas;
- Administering rent subsidies and support services; and
- Working within the addiction and mental health system.

Service Managers are expected to periodically assess the needs of recipients, with adjustments made to the level of housing assistance and/or housing supports over time as circumstances change. Recipients could transition from being in receipt of both housing assistance and support, to receiving just one.

Capital funding eligibility and implementation

Capital funding must be invested to increase the physical supply of units with supports, including new construction, acquisition and rehabilitation of existing residential rental buildings or conversion of non-residential buildings/units to purpose-built rental buildings/units. The capital funding is provided in the form of affordability payments over a 20-year period once construction is completed. All units must be connected with housing assistance and supports to be provided through the approved provincial operating funding.

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. There must be a clear indication about the types of supports that will be available to tenants, with details of the agreement or partnership with an appropriate agency who will deliver the supports.

Expression of Interest

In late spring the City responded to a Provincial Request for Expression of Interest (REOI) and requested \$4,280,375 in operating funding for 2017/18 and \$24,475,715 in 2018/19 and \$26,546,080 in 2019/20. The total operating funding request was \$55,302,170. An additional \$36,855,000 of capital funding was requested, delivering up to 2,000 units with supports over the funding period. The full funding request made to the province was \$92,157,170.

Operating Component

The City's REOI proposal included funding for a range of projects that provide housing supports and housing assistance across the continuum of need. Projects will range from

providing moderate-level support and housing assistance to people in the private rental market, to high intensity dedicated housing with supports programs delivered with 24/7 wrap around, harm reduction, supports to clients with complex needs. Projects will be delivered by experienced community agencies which specialize in working with clients with a variety of needs, with whom SSHA has established relationships.

Home For Good funding will build on and leverage existing successful, evidence based approaches in place in Toronto, and will leverage opportunities through existing successful initiatives for the housing and homeless service system, including:

- Reducing homelessness through Housing First approaches to serve street involved and long-term homeless clients through Streets to Homes and Hostels to Homes
- A Coordinated Access to Housing Supports pilot that prioritizes and coordinates access to housing assistance and supports to people who have been homeless six months or more
- The Tenant's First initiative for Toronto Community Housing Corporation (TCHC), that aims to better meet the needs of social housing tenants, many of whom have complex support needs and are at risk of homelessness
- Enhancing the successful Supports to Daily Living (SDL) program currently delivered by alternative housing providers with a mandate to serve homeless and high-needs clients.

The HFG funding submission also proposed investing provincial funding to meet the needs of homeless clients with mental health and addiction issues. There is widespread recognition that clients in this group are often unable to exit homelessness unassisted, return to shelter numerous times and use high levels of health-related emergency services, yet the availability of appropriate housing with supports is unable to meet demand.

SSHA will seek proposals from agencies which provide innovative housing with supports, proposals that meet the provincial priority areas, work within a harm reduction framework and use a Housing First approach in meeting the needs of this client group.

Capital with Operating Component

Developing new housing with supports for vulnerable people who have experienced homelessness is a key strategic theme in the City of Toronto's 10-year housing and homelessness plan: Housing Opportunities Toronto (HOT) 2010-2020. Strategic Theme Two, 'Helping Homeless and Vulnerable People Find and Keep Homes' identifies the need to expand alternative, supportive and interim housing for formerly homeless and vulnerable people by developing new housing for people living in shelters as a priority.

The Home for Good capital and operating funding is proposed to complement the City's new investments, modernizing and re-purposing two important Toronto Community Housing properties.

Work is well underway planning to modernize the TCHC rooming houses located at 13-15 and 17-19 Winchester Street to provide 35 single-room occupancy supportive rental apartments to be operated by the non-profit housing agency Margaret's Housing and

Community Support Services Inc. The Director of the Affordable Housing Office will report to the Executive Committee in November on the project and the appropriate City approvals required.

Work is also well underway in planning to modernize the TCHC property at 389 Church Street. This vacant 13-storey TCHC building on the north-east corner of Church and Granby Streets has reached the end of its useful life cycle and is planned to be renovated to provide 119 one and two bedroom affordable rental apartments. Upon completion the property will be managed as supportive housing by a non-profit housing agency working with women. The Director of the Affordable Housing Office will also report to the Executive Committee in November on plans to use the balance of available funds and identify the appropriate City approvals required.

Stakeholder Consultations

Successful implementation of the Home for Good Program investments will require the full and active participation of many community partners. In the preparation of the Home for Good REOI submission and in anticipation of a funding allocation, City staff have been actively working with the community sector to design and implement the Program.

Further communication has occurred with the Toronto Aboriginal Support Services Council, the Local Health Integration Network's, Toronto Community Housing Corporation, Toronto Employment and Social Services, the Ministry of Community and Social Services and the Ministry of Child and Youth Services around program details, opportunities for collaboration and/or leveraging additional funding.

Conclusion

The provincial Home for Good Program allocation of \$90,086,805 over three years will provide important funding to support operating and capital investments to assist up to 2,000 persons in need of supportive housing opportunities. The Home for Good Program also supports and complements the City's own priorities in addressing the shortage of supportive housing opportunities for homeless and vulnerable people.

To move forward with the Home for Good Program investments, this report requests Council approval for the City to participate in the Program. The report also seeks Council approval for the General Manager, SSHA, in consultation with the Director of the Affordable Housing Office, to enter into a Transfer Payment Agreement with the province and submit the necessary Take-Up Plan by October 31, 2017. Further reporting on various elements of implementing the Home for Good Program will be undertaken as outlined within the report

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ATTACHMENTS

September 11, 2017 Home for Good Program allocation letter from the Minister of Housing to Mayor John Tory