

Housing Opportunities Toronto Action Plan (2020-2030) Directions Report

Date: June 11, 2018
To: Affordable Housing Committee
From: Acting Deputy City Manager, Cluster A
Wards: All

SUMMARY

This report outlines the process to develop the *Housing Opportunities Toronto (HOT) Action Plan 2020-2030*, the City's new long-term housing and homelessness action plan. Following completion of the work outlined in this directions report, staff will report on a new HOT Action Plan 2020-2030 for Council consideration and approval in fall 2019.

This directions report seeks Council approval on a framework and funding requirements for staff to undertake technical studies including a Toronto housing market analysis and public consultations to develop the new Action Plan. The outlined work plan also guides staff to undertake a review of the current HOT Action Plan 2010-2020, an analysis of new housing and homelessness data, and environmental scans of federal, provincial and local housing policies.

The HOT Action Plan 2020-2030 will be a comprehensive plan addressing challenges and pressures across the housing continuum: from the need for emergency shelter beds, safe and legal multi-tenant houses, long-term care homes, supportive, transitional, social and affordable rental housing, to market affordability challenges for first-time home buyers.

This work will ensure that the HOT Action Plan 2020-2030 will be grounded in meaningful and achievable goals and targets, include a robust implementation strategy, and strategically align with existing City, regional, provincial and national strategies. The new Action Plan will also meet the requirements of the *Housing Services Act, 2011*.

Over the past decade, by implementing actions recommended in the HOT Action Plan 2010-2020, Toronto has taken significant steps to address a range of housing challenges faced by residents across the housing spectrum. Toronto's ongoing housing advocacy has also contributed to the introduction of a 10-year National Housing

Strategy by the federal government, the provincial 10-year Long-Term Housing Strategy, and Ontario's Fair Housing Plan.

Despite the progress in ramping up measures to address our national, provincial and local housing challenges, residents continue to struggle to secure and maintain affordable, suitable and stable housing. Toronto will continue to grow at a faster pace over the next decade with its population anticipated to reach 3.1¹ - 3.4² million by 2030. The growing population of seniors is expected to accelerate by 2030 along with the demand for support services including long-term care homes.

To address the diverse housing needs of Toronto residents, the new Action Plan will look to achieve bold, high-impact outcomes by leveraging new federal and provincial resources, extending City investments, and strengthening partnerships with the non-profit and private sectors.

This report is prepared in consultation with staff from the Social Development, Finance & Administration, Municipal Licensing and Standards, Revenue Services, Real Estate Services, CreateTO, Chief Resilience Office, Toronto Public Health, City Planning, Long-Term Care Homes & Services, Toronto Employment and Social Services, and staff from the offices of Deputy City Manager, Cluster A, Cluster B and the Internal Corporate Services.

RECOMMENDATIONS

The Acting Deputy City Manager, Cluster A recommends that:

1. City Council approve the direction and framework outlined in this report to develop the *Housing Opportunities Toronto Action Plan 2020-2030* and to execute the framework outlined in this report, including strategic public consultations.
2. City Council request the Director, Affordable Housing Office, the General Manager, Shelter, Support and Housing Administration, and the General Manager, Long-Term Care Homes and Services to report before the end of 2019 with the final recommended *Housing Opportunities Toronto Action Plan 2020-2030*, together with an associated implementation strategy for Council consideration.
3. City Council request the Director, Affordable Housing Office and the General Manager, Shelter, Support and Housing Administration to provide a progress report on the implementation of the *Housing Opportunities Toronto Action Plan 2010-2020* before the end of 2019.
4. City Council request the Director, Affordable Housing Office and the General Manager, Shelter, Support and Housing Administration to publish as part of the public

¹ Based on the "Growth Plan for the Greater Golden Horseshoe, 2017"

² Based on an assumption that recent five-year average trends in birth rates, death rates, migration rates, and household formation rates will continue.

engagement process and report to the Affordable Housing Committee in the first quarter of 2019 on the results of the Toronto housing market analysis.

5. City Council request the Director, Affordable Housing Office, the General Manager, Shelter, Support and Housing Administration, and the General Manager, Long-Term Care Homes and Services to identify, through the City's 2019 budget process, any additional financial resources required to undertake technical studies and public consultations to develop the *Housing Opportunities Toronto Action Plan 2020-2030* in 2018 and 2019.

FINANCIAL IMPACT

The work plan outlined in this report is estimated to cost approximately \$100,000 to implement in 2018 and 2019. The majority of the funding will be allocated towards developing and implementing a comprehensive public engagement plan in fall 2018 and winter 2019.

The Affordable Housing Office (AHO), through its approved 2018 and proposed 2019 Operating Budgets, will allocate required funds at net zero cost to the following:

- The AHO will retain a consultant to assist in planning and hosting public consultation sessions, including stakeholder consultation workshops and an international public forum.
- As part of the consultation and engagement plan, the AHO will provide modest financial support, through a call for applications, to community agencies which will undertake consultations with vulnerable residents such as victims of domestic violence, youth, people experiencing homelessness, people with interactions in the correctional system, residents of long-term care homes, seniors, people with disabilities, newcomers and Indigenous people.
- Part of this funding will also be allocated to preparing materials for public consultation sessions including translation, design, print, marketing and advertisement services.

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

EQUITY IMPACT STATEMENT

Access to safe, secure, and affordable housing as well as emergency shelter for people experiencing homelessness in all parts of Toronto will be a fundamental goal of the City's 10-year *Housing Opportunities Toronto Action Plan 2020-2030*.

The HOT Action Plan 2020-2030 will have a positive impact on many equity-seeking groups who are at risk of experiencing homelessness or housing instability. Access to a

range of housing opportunities and improved housing affordability contribute significantly to poverty reduction while benefitting people's health and well-being.

The HOT Action Plan 2020-2030 will be developed using an equity lens and in consultation with equity-seeking groups to address their specific housing and shelter needs. Equity-seeking groups include persons with disabilities, women, racialized groups, LGBTQ2S people, immigrants and refugees, persons with low income, youth, and people experiencing homelessness.

The development of the HOT Action Plan 2020-2030 will also include engagement with Indigenous communities, in recognition of the City's commitment to reconciliation.

DECISION HISTORY

On August 5 and 6, 2009, City Council adopted EX33.47 *Housing Opportunities Toronto: An Affordable Housing Action Plan 2010-2020* to address Toronto's affordable housing and homelessness challenges over a 10 year period.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.EX33.47>

At its meeting on December 16, 17 and 18, 2013, Council adopted CD25.10 *2014-2019 Housing Stability Service Planning Framework* as the plan to guide the services administered by Shelter, Support and Housing Administration over the next five years. The framework aims to improve housing stability for vulnerable Toronto residents, including a focus on preventing homelessness and supporting the transition from homelessness to permanent, stable housing.

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

COMMENTS

In 2009, the City approved its first *Housing Opportunities Toronto: An Affordable Housing Action Plan 2010-2020* which provided a city-wide roadmap for actions and guided the work of the many divisions and agencies that have a role in delivering housing and homelessness policies, programs and services.

As the HOT Action Plan 2010-2020 approaches its final year, staff are ready to prepare the next 10-year housing and homelessness action plan. This work will include a housing market analysis with a focus on forecasting need and demand through to 2030.

The new plan will also be developed to align with opportunities presented by the National Housing Strategy and the Ontario Long-Term Housing Strategy. It will build on the strategic themes of the first HOT Action Plan to power economic prosperity, a greener city, liveable neighbourhoods and healthier people.

This report seeks City Council's approval on the framework outlined in this report to develop the HOT Action Plan 2020-2030 throughout 2018 and 2019 including undertaking comprehensive public and stakeholder consultations.

Housing Services Act

The *Housing Services Act, 2011* requires all service managers to develop housing and homelessness plans that include:

- (a) an assessment of current and future housing needs;
- (b) objectives and targets relating to housing needs;
- (c) a description of the measures proposed to meet the objectives and targets;
- and
- (d) a description of how progress towards meeting the objectives and targets will be measured.

Additionally, at least once every five years, service managers are required to review the long-term housing and homelessness plans and amend as necessary.

The HOT Action Plan 2020-2030 will address both of these requirements by:

- Providing an assessment of current and future housing need;
- Setting objectives and targets, defining outcomes and measuring achievements;
- Developing actions for addressing homelessness, housing needs of different demographics (including women, people with mental health and addiction issues, seniors, Indigenous people, and survivors of gender-based violence, among many others), climate change and environmental sustainability; and
- Engaging with non-profit and private housing sectors and other partners across service systems to improve coordination and access to housing and homelessness prevention services.

Toronto Today: Facts and Figures

- According to the 2016 Census results, Toronto is home to 2.7 million people with more than half of them identifying as visible minorities.
- The Street Needs Assessment of April 2013 found an estimated 5,253 people experiencing homelessness outdoors, in City-funded shelters, in Victim of Violence shelters, and in health and correction facilities with "no fixed address". Most were in emergency shelters, with an estimated 447 sleeping outside. Preliminary results of the 2018 Street Needs Assessment will be available in summer 2018, with full results available in fall 2018.
- Demand for emergency shelter services has risen more than 40% over the past year. Average nightly occupancy in the system in May 2018 was 7,000 people (compared to approximately 4,500 people one year ago). As of May 2018, refugees make up more than 40% of Toronto's shelter population on any given night. That's up from 11% two years ago.

- Demand for supportive housing far outstrips available supply. With some 5,000 supportive housing units in Toronto, there were 13,645 people on the Access Point mental health and addictions supportive housing waiting list as of December 2017.
- As verified by the 2016 Census, Toronto has an aging population, and for the first time, there are more people over 65 years of age than children under 15 years of age.
- In 2016, there were 1,112,930 private households in Toronto. Of these, 587,095 households or 53% owned their home, while 525,835 or 47% rented. According to the 2016 Census results:
 - 245,605 renter households pay more than 30% of their before-tax income on housing costs. This represents 46.7% of all renter households in Toronto, which corresponds to the Greater Toronto and Hamilton Area average.
 - Out of the 587,095 owner households in Toronto, there were 160,465 households that spent 30 per cent or more on housing costs. This represents 27.3% of Toronto owner households experiencing affordability issues.
- The City's vacancy rate for purpose-built rental housing remains at one per cent, the lowest it has been in the past 16 years. The vacancy rate for condominium rental units is even lower at 0.7%.

Existing and Emerging Housing Challenges

Over the past decade, Toronto has witnessed an unprecedented building boom and ever-increasing housing costs for both renters and owners. However, the success in the housing market has not been evenly shared. A portion of Toronto's population has been left behind, fearing that over time they will fall further and further behind in their ability to secure housing that meets their needs.

- *Persistent homelessness and increasing demand for shelters*

The number of people experiencing homelessness or in need of emergency shelter services continues to rise, driven by low-incomes, lack of supportive housing to meet the needs of vulnerable people with mental health and addictions issues, increasing numbers of refugee claimants, as well as Toronto's increasing overall population.

- *Low income people struggle to move out of poverty*

One in four children and one in five adults live in poverty in Toronto and this number is rising. According to the 2016 census, nearly a quarter of renters are spending more than 50% of their household income on housing costs. As housing, food, energy and other costs have risen steadily over the past decade, it has become even more difficult for low income residents to make ends meet.

- *The need for new supportive and transitional housing*

Supportive and transitional housing is the largest gap in Toronto's housing market. In Toronto there are nearly 14,000 people waiting an average of five years for one of the 5,000 units of mental health and addiction supportive housing administered by the Local Health Integration Network (LHIN).

- *The growing demand for long-term care homes and support services*

In the past decade more than 830 beds within the Toronto Central LHIN alone have downsized, closed, moved or been returned to the Ministry of Health and Long-Term Care. Additionally, 60 per cent of all homes within the City of Toronto boundaries, accounting for 74 per cent of all long-term care beds (for-profit, not-for-profit and City-owned), are subject to mandatory redevelopment.

The growing number of seniors and the concerns around losing access to long-term care beds may result in a significant future gap in care and support services within Toronto.

- *The need for social and affordable housing far surpassing the supply*

While Toronto has the largest public housing portfolio in Ontario, some 100,000 households are on the City's Housing Connections list waiting, sometimes for as long as eight to ten years, for rent-geared-to-income housing in Toronto. Since the federal government transferred responsibilities for social housing to the provinces in the 1990s, followed by Ontario's decision to devolve the provincial share of social housing costs to the municipal tax base and administration of housing programs to 47 service managers, the City has been struggling to increase investments for expansion or repair of social housing.

- *Increasing demand for rental housing in a tight rental market*

Toronto has been creating new housing supply at a record rate. Based on the 2016-Q4 development pipeline, the units built since 2001 and those approved but not yet built total over 335,000 units or 84% of units required to accommodate the forecasted population of 3.4 million³ by 2041.

However, the majority of these units are intended for the ownership market which creates a mismatch between housing supply and demand in Toronto. At present, demand for rental housing continues to outpace purpose-built supply and secondary sources (such as condominium rental units).

³ Based on the "Growth Plan for the Greater Golden Horseshoe, 2017"

Developing the HOT Action Plan 2020-2030 – Four Guiding Principles

The HOT Action Plan 2020-2030 will be based on the following four guiding principles:

1- Evidence and needs based

The new Action Plan will be based on accurate, comprehensive and up-to date data and evidence about Toronto's existing and future housing needs and demands.

2- Equitable and health promoting

The new Action Plan will be developed through an equity lens to promote health equity and to establish actions that address specific housing needs of equity-seeking groups including persons with disabilities, women, racialized groups, LGBTQ2S people, immigrants and refugees, persons with low income, youth, people experiencing homelessness and Indigenous people.

3- Partnership based

The new Action Plan will provide for a partnership model and include contributions from all orders of government, the development community, the non-profit housing sector, housing advocates and the public.

4- Advocating federal and provincial action – including coordinated City, provincial, and federal initiatives

The HOT Action Plan 2020-2030 will advocate for increased federal and provincial action on housing and homelessness while ensuring coordination with the City's major strategies and policies and federal and provincial priorities as embedded within the National Housing Strategy, Ontario's Long-Term Affordable Housing Strategy and the Fair Housing Plan.

HOT Action Plan 2020-2030 Framework – Eight Actions

1- Review of the HOT Action Plan 2010-2020 results

As part of developing the HOT Action Plan 2020-2030, staff will review and report on the results of and lessons learned from the first HOT Action Plan. This will also satisfy the provincial requirement to provide a five-year review of municipal housing and homelessness plans in 2019.

2- Analysis of Toronto's housing market today and to 2030

City staff will complete and publish the results of a housing market analysis which will:

- Provide a present day snapshot of the housing market with a particular focus on supply and demand issues.

- Forecast the need and demand for affordable and rental housing over the next 10 years.
- Provide an analysis of the housing needs of different population subgroups and an indication of how those needs are projected to be addressed in the housing market over the next 10 years.
- Provide an analysis of how the regional housing market will shape and influence the availability and affordability of housing in Toronto in the coming five to ten years.
- Identify the data gaps and potential partnerships with the federal and provincial governments that could assist in improving the availability of housing market data.

3- Review of federal, provincial and local housing policies and strategies

The new Action Plan will consider the implications and opportunities resulting from new and ongoing federal, provincial and local housing policies and strategies.

Best practices from other jurisdictions will also be reviewed and analyzed to inform the creation of the HOT Action Plan 2020-2030.

4- Undertaking a robust public engagement and consultation plan

The process of developing an engagement and consultation plan will ensure that everyone is provided with the opportunity to participate in creating an inclusive, innovative and results-driven housing strategy.

In engaging key practitioners, thinkers, leaders, stakeholders, and persons with lived experience of poverty, housing insecurity and homelessness, the HOT Action Plan 2020-2030 will be informed by a series of public consultation and engagement sessions held across the city.

The engagement plan for the HOT Action Plan 2020-2030 will be developed in consultation with members of the City's interdivisional housing team and the City's Chief Resilience Office. The public engagement strategy will include:

- Creating an Advisory Committee comprised of external experts from a wide variety of organizations and sectors as well as people with lived experience of poverty, housing insecurity and homelessness to advise staff in developing the HOT Action Plan 2020-2030. The Advisory Committee will help staff in considering various aspects of the housing system in Toronto and will share their perspectives on potential solutions, opportunities and challenges.
- Hosting an international public forum to bring national and international experts and stakeholders together to discuss international housing models and solutions. Other

cities around the world are experiencing similar challenges in their housing markets and Toronto can learn from how they are responding to these pressures.

- Creating a dedicated website and social media campaigns to collect input and feedback through written submissions, surveys, and online dialogue.
- Empowering community organizations and groups to hold consultations with vulnerable residents including survivors of gender-based violence, youth, people experiencing homelessness, people with interactions in the correctional system, seniors, people with disabilities, and newcomers. To support these outreach efforts, the City will provide modest financial assistance.
- A strategy to engage with Indigenous people and service providers in recognition of the City's commitment to reconciliation and to identify ways to better support access to culturally appropriate housing and homelessness services for Indigenous people.
- Strategic stakeholder consultation workshops on key policy areas including a Council directed charrette with supportive housing stakeholders. These consultation workshops will be held in collaboration with university partners in Toronto.
- Public meetings to be held at the City Hall, Scarborough, North York and Etobicoke Civic Centres.

This strategy will also provide an opportunity to identify and leverage resources and contributions from other private, non-profit and community stakeholders. The public consultations will take place in fall 2018 and winter 2019.

5- Developing targets and goals

The HOT Action Plan 2020-2030 will be a comprehensive plan addressing challenges and pressures across the housing continuum: from the need for emergency shelter beds, safe and legal multi-tenant houses, supportive, transitional, social and affordable rental housing, to market affordability challenges for first-time home buyers.

The HOT Action Plan for 2020-2030 will be developed taking into consideration the new tools including implementing inclusionary zoning and regulating short-term rentals. The City will also explore additional housing opportunities that are offered through activating public and private lands at or near transit hubs as well as laneway housing.

The new Action Plan will include annual targets to address current and future housing needs as identified through public consultations and housing market analysis, while identifying the resources necessary to achieve the targets.

6- Developing an integrated and inclusive implementation plan

The HOT 2020-2030 Action Plan will outline the corporate structures and mechanisms required for its delivery as an integrated, cohesive, and city-wide plan that guides all divisions involved in housing policies, programs and services over the next decade.

The City has developed a number of strategies, policies and programs to address the immediate and long-term challenges faced by vulnerable Torontonians including their housing needs and demands. These include the Poverty Reduction Strategy, Tenants First Implementation Plan, Official Plan and the Seniors Strategy. A new Transition Team will also be developing recommendations on the creation of a Seniors Housing and Services Entity.

The HOT Action Plan 2020-2030 will also focus on developing and implementing various strategies that align with an inclusive and “whole of government” approach to housing.

7- Reviewing the regional housing context

Residents of the Greater Toronto Area (GTA) experience the region as one housing market. As part of the development of the HOT Action Plan 2020-2030 staff will reach out to regional municipalities in an effort to co-ordinate efforts and strengthen the regional response to challenges in finding and keeping housing within the region.

Considering a regional context for planning actions on housing also creates an opportunity to integrate new affordable housing opportunities within the context of local and regional transit and transportation planning and growth.

8- Responding to existing Council directions

The HOT 2020-2030 Action Plan will respond to a range of existing and emerging housing matters that have been requested to be addressed by City Council such as: inclusionary zoning, public consultation on supportive housing, and maintaining, expanding and regulating multi-tenant housing.

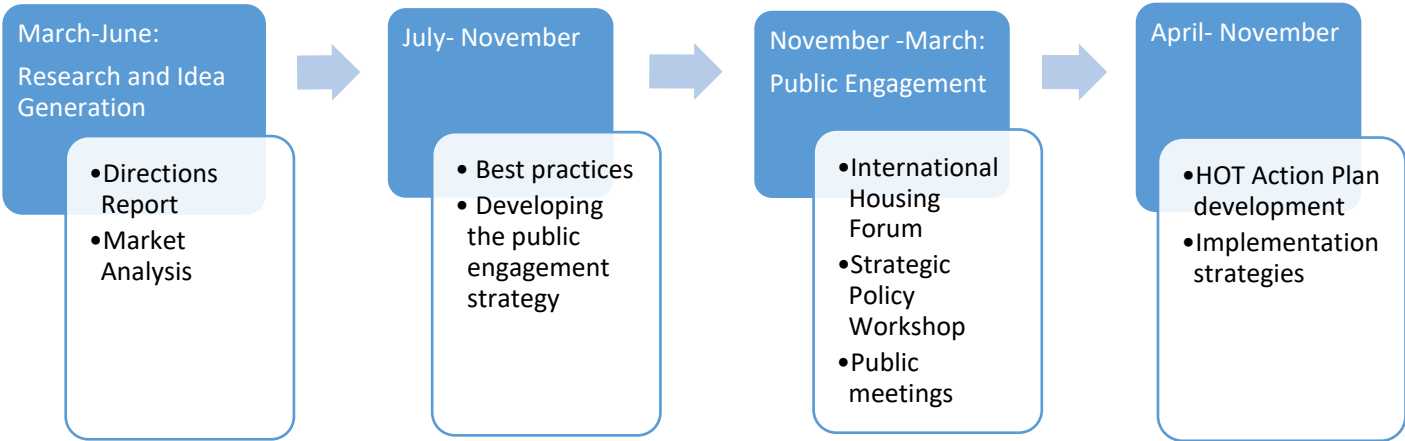
Developing HOT Action Plan 2020-2030

In December 2017, Deputy City Manager, Cluster A convened an interdivisional team to coordinate the City's housing and homelessness initiatives. The interdivisional team includes division heads from the Affordable Housing Office, Shelter, Support and Housing Administration (SSHA), City Planning, Toronto Public Health, Long Term Care Homes and Services, Municipal Licensing and Standards, Social Development, Finance and Administration, Revenue Services, Internal Corporate Services, Toronto Employment and Social Services, and Real Estate Services.

This interdivisional team has been assigned as the steering committee to oversee and advise the development of the HOT Action Plan 2020-2030. A HOT Policy Working Group, co-led by the AHO and SSHA, has also been established as a sub-group with policy staff from various divisions and agencies to work more closely with the AHO and SSHA's staff in developing the directions report and the HOT Action Plan 2020-2030.

As part of this work, a third party consultant will be retained to provide consultation services, expertise and additional resources complementary to the City's internal working groups.

Graph 1- Work Plan Timeline



Summary

This report seeks approval on a framework and funding requirements for staff to develop the City's new 10-year housing and homelessness action plan for 2020-2030. Staff will report on a new HOT Action Plan 2020-2030 for Council consideration and approval in 2019 which will respond to current and future needs of residents in Toronto.

The completion of the plan in 2019 will also meet the legislative requirements through the *Housing Services Act, 2011* to develop long-term housing action plans and provide an update once every five years.

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