

Implementing Tenants First: TCHC Scattered Portfolio Plan and an Interim Selection Process for Tenant Directors on the TCHC Board

Date: January 12, 2018
To: Executive Committee
From: Deputy City Manager, Cluster A
Wards: All

SUMMARY

In July 2017, City Council approved Tenants First: Phase 1 Implementation Plan to restructure the operation, governance and funding of Toronto Community Housing Corporation (TCHC).

This report outlines the next set of recommendations to implement the Phase 1 Implementation Plan. In Q2 of 2018 a report on the steps required in the creation of a Seniors Housing and Services Entity will be presented for Council consideration.

Proposed actions are summarized below:

Action 1: Transfer ownership and operation of TCHC's Agency Houses and Rooming Houses to qualified non-profit housing operators with expertise in providing vulnerable tenants, including people with a history of homelessness, with the supports they need for successful tenancies.

Action 2: Transfer the balance of TCHC's scattered portfolio to non-profit housing providers, co-ops and community land trusts that are qualified to engage with tenants, improve the condition of the properties and retain the properties as affordable housing in perpetuity.

Action 3: Ensure effective governance and facilitate ongoing tenant representation by implementing an interim process to appoint Tenant Directors to the TCHC Board, ensuring a tenant voice in the governance of TCHC.

The recommendations in this report and the steps proposed are designed to improve and transform the delivery of housing and services to the 110,000 residents who live in the City's diverse housing portfolio.

At the same time it is recognized and recommended that many of the changes require multi-year planning and implementation.

To be successful in implementing the proposed recommendations it is also essential that there be ongoing active participation from TCHC tenants and staff, City residents, non-profit organizations, City Divisions, as well as other orders of government.

RECOMMENDATIONS

The Deputy City Manager, Cluster A recommends that:

1. City Council direct the Board of Directors of Toronto Community Housing Corporation to instruct its Chief Executive Officer to work with the Deputy City Manager, Cluster A, to initiate a process, satisfactory to the Chief Executive Officer and the Deputy City Manager, Cluster A, to transfer ownership of the Toronto Community Housing Corporation Agency House and Rooming House portfolio to non-profit corporations, ensuring that:

- a) The portfolio is maintained for its current housing purposes;
- b) The portfolio continues to be operated by non-profit corporations;
- c) Any transferred asset will revert to the City in the event of any future transfers to a transferee that is not a non-profit or any change in use;
- d) The transaction is structured to support the result of an aggregate net neutral financial impact to Toronto Community Housing Corporation following transfer of the ownership of the entire portfolio;
- e) Toronto Community Housing Corporation Agency Houses, listed in Appendix 1, are to be offered to interested and qualified existing operators at a value determined by a formula that considers the outstanding mortgage on the entire Agency House portfolio and the assessed value of the individual house; and
- f) Toronto Community Housing Corporation Rooming Houses, listed in Appendix 1, are to be transferred to qualified and interested operators at a value through a Request for Proposals process based on criteria contained in Appendix 2.

2. City Council acting as Shareholder consent to transfer all properties referenced in Recommendation 1 according to Section 7.3 (e) of the Shareholder Direction.

3. City Council authorize the General Manager of Shelter Support and Housing Administration (SSHA), to provide, on behalf of the City acting as Service Manager under the Housing Services Act (HSA), consents pursuant to subsection 161 (2) and 162(2) of the HSA, as required, to transfers by Toronto Community Housing Corporation, and to mortgages by transferees, subject to such terms and conditions that

the General Manager, SSHA, considers reasonable and necessary to carry out the recommendations adopted by City Council, including, without limitation, compliance with the HSA and the Service Manager's local rules; rent; the operation of the housing project; funding; reporting and accountability; the mandate and target tenants for the housing project; and tenant supports.

4. City Council direct the Board of Directors of Toronto Community Housing Corporation to instruct its Chief Executive Officer to work with the Deputy City Manager, Cluster A, to jointly issue a Request for Proposals (RFPs) in 2018 to transfer the remaining scattered housing portfolio, listed in Appendix 1, including those not addressed in Recommendation 1. Results and recommendations of the RFP are to be considered by Council along with a full risk and financial assessment of the transfer.

5. City Council adopt an interim process to appoint tenant representatives to the Toronto Community Housing Corporation Board for the 2018-2020 Board term, consistent with the current Public Appointments Policy as follows:

a) Toronto Community Housing Corporation (TCHC) to conduct outreach and promotion to TCHC tenants inviting applications for appointment to the Board of Directors;

b) Toronto Community Housing Corporation and City staff will hold information sessions for tenants interested in appointment to the Board of Directors;

c) The City Clerk's Office will take in applications and screen candidates for eligibility; and

d) A selection panel composed of two City staff and one Toronto Community Housing Corporation tenant appointed by the Deputy City Manager, Cluster A, will shortlist, interview and recommend candidates to the Corporations Nominating Panel for appointment by City Council including addressing any vacancies as they arise.

FINANCIAL IMPACT

There is no 2018 financial impact associated with this report.

There are however possible financial implications that may arise out of the next phase of Tenants First which will be presented for Council review through staff reports and / or the 2019 budget process as required. Council will review the next phase of action prior to any financial impact. The possible future financial implications for the City and TCHC are outlined below.

Possible Future Implications

1. Costs associated with transfers

Agency Houses

According to TCHC, the City provided a subsidy of about \$851,037 to TCHC in 2016 (2016 numbers are used throughout this report as the reconciled 2017 figures are not yet available from TCHC) for this segment of the scattered house portfolio. Once these properties are transferred to eligible agencies, this amount will be deducted from TCHC's annual subsidy and will result in a net savings of up to \$851,037 to the City.

Rooming Houses

There is no immediate financial impact on the City in the implementation of Step 1 of the plan to transfer Rooming Houses. In Step 1 (2018), existing City resources and available Provincial funding for supportive housing will be used to fund supports to rooming house tenants. Home for Good operating funding is currently available until March 31, 2020. Additional funding beyond this date has not been confirmed by the Ministry of Housing. Part of Shelter Support and Housing Administration's (SSHA's) ongoing work includes recommending Provincial funding continue past this date, especially considering the ongoing nature of programs targeted at providing housing and supports to individuals who have experienced homelessness.

In Step 2 (2020), properties will be transferred and the City will continue to fund the new housing provider to deliver social housing. In addition, many of these properties require capital improvements, therefore City staff will review all available funding sources and programs at the time the RFP for Step 2 is issued.

Single Family Houses

There is no impact in 2018. The long-term financial impact cannot be determined until the completion of an RFP as recommended in this report, however based on the information received from respondents of the Request for Expressions of Interest (REOI), depending on the funding model and the funding requirements, the order of magnitude incremental annual subsidy costs to the City could range from about \$1.4 million to \$5.1 million plus annual inflationary increases from 2016.

2. Reduction in TCHC Capital Repair Backlog

The capital backlog associated with these properties as of the end of 2016 was \$33.9 million and TCHC spends about \$6.0 million annually in building repair capital on this portfolio. By removing this portfolio from TCHC there will be a reduction in the overall capital repair backlog and future capital requirements by TCHC, as these costs will be borne by the non-profit housing providers. The impact to the City will be known once the results of the RFP are reviewed and subsequent operating agreement(s) negotiated.

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

EQUITY IMPACT

Housing is a precondition for living with dignity and enjoying a good quality of life. Nevertheless, access to safe, decent and affordable housing, along with supports to ensure housing stability and successful tenancies, is not equally available to all Torontonians. People living on low incomes, those who face health challenges and those who experience racism, ageism, and/or gender discrimination, face the most challenging conditions to accessing decent and affordable housing.

Many of these vulnerable and marginalized Torontonians live in TCHC buildings. An adequately funded and maintained social housing system with improved services is the essential foundation for creating more equitable opportunities and outcomes for these Torontonians and a better quality of life.

DECISION HISTORY

On October 30, 31 and November 1, 2012, City Council endorsed Putting People First, Transforming Toronto Community Housing and the strategies contained in the report.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX23.4>

On June 10, 2015, City Council requested the City Manager, in consultation with TCHC and tenants, to review the process for the selection and appointment of tenants to the TCHC Board, including experience to date and report back, reflecting best practices for Board appointments to enhance the current process, clarify the role of tenant representatives and recommend any changes required prior to the next tenant election.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.CC7.12>

On July 7, 2015 City Council approved Transforming Social Housing: Renewing the Partnership with the City's Social Housing Providers which laid the groundwork for a transformation of how the City delivers social housing.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.CD5.7>

On January 28, 2016, the Mayor's Task Force on Toronto Community Housing tabled its Final Report, Transformative Change for Toronto Community Housing Corporation at Executive Committee.
<http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=4184a1f9b4a72510VgnVCM10000071d60f89RCRD>

Executive Committee referred the Final Report to the City Manager with direction to report to Executive Committee recommending an overall approach and guiding principles for how best to move forward with the transformation of Toronto Community Housing Corporation.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX11.21>

In June 2016, City Council approved Tenants First: A Way Forward for Toronto Community Housing and Social Housing in Toronto and directed staff to develop an implementation plan.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.11>

In July, 2017 City Council approved Tenants First Phase One Implementation Plan and directed staff to return to further develop the governance and service model of the Seniors Housing and Services Entity, report back on further financial analysis and the results of an REOI for the scattered portfolio.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX26.2>

COMMENTS

Introduction

In July 2017, City Council approved Tenants First: Phase 1 Implementation Plan to restructure the operation, governance and funding of Toronto Community Housing Corporation (TCHC).

Since then, the City and TCHC have been building a new relationship with the aims of improving services for tenants and protecting the value of the \$10 billion social housing asset.

Leadership at TCHC is renewed and stabilizing. A new CEO has been hired; a new Board Chair appointed; the Chief Operating Officer has been made permanent and the search is underway for a permanent Chief Financial Officer and a Chief Development Officer.

Strides have been taken by all levels of government to align investments to preserve and renew Toronto's social housing stock. The impact of City investment as a result of the Mayor's Task Force has resulted in improved tenant satisfaction surveys in 2017. The City's 2018 Preliminary Operating and Capital budget reflects an Interim Funding Formula for TCHC that will protect against permanent unit closures and ensure the necessary investment to improve building conditions across the portfolio. This Preliminary Budget will be considered by Budget Committee and Council in February. More detail can be found in the budget notes (<https://www.toronto.ca/city-government/budget-finances/city-budget/program-agency-budgets/ssha/>). As part of the Climate Change Action Plan, the Government of Ontario has announced new funding for energy retrofits in TCHC. The Government of Canada has released a National Housing Strategy which includes commitments to fund repair and renewal of existing social housing, with details to be announced. Details will be known when the federal government rolls out this new funding beginning in April 2019, and also following the signing of a bi-lateral agreement between the Ontario government and Ottawa.

The next step in Tenants First is to begin to thoughtfully segment what is currently a diverse and challenging portfolio, in order to achieve better quality of life for tenants and establish a basis for a more sustainable funding model. This report presents three key actions to commence in 2018 that are aimed to:

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- Establish clear roles and relationships with non-profit organizations and a new ownership and delivery model of the TCHC scattered portfolio; and
- Ensure effective governance and facilitate ongoing tenant representation on the TCHC Board during a transitional period at TCHC.

Action 1: Transfer ownership and operation of Agency Houses and Rooming Houses to qualified non-profit housing operators with expertise in providing to vulnerable tenants, including people with a history of homelessness, the supports they need for successful tenancies; and

Action 2: Create a plan to transfer the balance of the scattered portfolio to non-profit housing providers, co-ops and community land trusts that are qualified and can engage with tenants, improve the condition of the properties and retain them as non-profit housing in perpetuity.

A further step in segmenting the diverse and challenging TCHC portfolio is the divestment, over time, of the scattered housing portfolio to the non-profit housing sector. The City, in its role as Consolidated Municipal Service Manager, will continue to have a strong oversight role in the operations of the social housing asset as it is moved out of TCHC ownership through new Operating Agreements with housing providers. It is in the best interest of all to ensure that the assets continue to be operated as non-profit housing and that a future owner and operator has a solid business case and operating model. The portfolio will be maintained for the current housing purposes and continue to be operated by non-profit corporations. Prior to the transfer of any properties the City will approve the business plans of the future owners and operators. The plans must ensure there are adequate capital and operating funds available from federal, provincial, City or private sources to provide for a state of good repair and ongoing, long-term financial viability. The assets will revert to the City in the event of any future transfers or change in use.

The 1,170-unit scattered housing portfolio consists of Agency Houses, Rooming Houses and Single Family Houses. These three types of scattered housing are described below:

- **Agency House** (26 buildings; 183 units): A TCHC-owned house that is currently leased by a non-profit corporation for a housing related purpose. Housing related purpose includes but is not limited to: social housing, affordable housing, emergency shelter, transitional housing, providing housing or settlement services for newcomers, and providing housing in a variety of settings to vulnerable residents, including those that require supports.
- **Rooming House** (22 buildings; 204 units): A TCHC-owned house with shared kitchen and/or washroom, occupied by four or more tenants, each of whom pays an individual rent.

- **Single Family House** (660 buildings; 783 units)¹: A TCHC-owned house that is not a Rooming House or Agency House. Houses can be one single unit or multiple apartments within a house.

The plan for transfer of the scattered portfolio was developed, as directed by City Council, on the basis of information gathered from an August 2017 REOI from non-profit housing operators and also from tenants, who met to review and comment on the REOI responses. Altogether, fifteen submissions and three additional letters from interested organizations were reviewed. Prior to the REOI deadline, twenty organizations attended an open information session held at City Hall.

REOI Respondents:

Three different types of housing providers responded to the REOI and are appropriately qualified to take over operation and ownership of the scattered portfolio:

- **Current Agency House Operators:** These are organizations that lease houses from TCHC for a specific vulnerable population. The programs run by agencies in this category provide a cost saving to the City since serving the target population reduces the pressures on City services such as shelters or subsidized housing. Many operators of Agency Houses expressed interest in owning the properties they currently lease.
- **Supportive Housing/Alternative Housing Providers:** These are organizations that provide specialized supports to help vulnerable tenants to achieve and maintain housing stability; example, by providing specialized supports to tenants who experience mental health or addictions issues or those who have been previously homeless or are at risk of becoming homeless.
- **Community Land Trusts:** A Community Land Trust (CLT) is a model for preserving land for affordable housing that has been successfully implemented in cities internationally. Some CLTs have taken on the administration of municipalities' surplus properties, including those developed through inclusionary zoning and density incentives. Two CLTs responded to the REOI. More information about the basic principles of the CLT model can be found in Appendix 3.

Plan for Transfer:

As shown in Table 2 below and in Appendix 2 "Proposed Transfer Plan", there is a separate strategy proposed for each of the three different types of housing in the scattered portfolio. As the City transfers the ownership of these properties into the non-profit sector it is critical that appropriate accountability tools are utilized. This will ensure ongoing affordability and stewardship of these important affordable housing assets and will be outlined in the new Operating Agreements with the housing providers. This report seeks authority to transfer the agency houses and rooming houses.

¹ These numbers differ from the number cited in the Tenants First Phase 1 Implementation Plan. There are 15 buildings comprising 68 units left out in error, including 3 previously approved for sale that have current RGI tenants residing in them.

Agency Houses: Agencies currently leasing Agency Houses be offered the option of purchasing the properties they currently lease based on a price determined by a formula that considers outstanding mortgage on the entire Agency House portfolio and MPAC (Municipal Property Assessment Corporation) assessed value of each individual house (outstanding mortgage balance as of September 30, 2017 was approximately \$6.530 million).

Rooming Houses: A two-step process that first connects current tenants with needed supports through a partnership with a lead agency, and secondly transfers ownership and operations of the rooming houses to a supportive housing provider. There are currently 22 Rooming Houses in the portfolio comprising a total of 204 units. The Rooming House portfolio has presented a challenge to TCHC. The tenant population has greater support needs than in many other TCHC tenant communities. There are added challenges because Rooming House tenants live in close quarters and share some facilities, without on-site support to resolve issues and conflicts. The rooming houses are on average over one hundred years old and have significant outstanding repair and revitalization requirements. Moreover, the Rooming Houses are embedded in residential neighbourhoods and focus must be given to integrating tenants into the community through engagement with local community groups. Currently there is disproportionate use of TCHC community service and community safety resources in Rooming Houses. This is an opportunity to create 204 units of supportive housing.

To implement the Transfer Plan, a transition team will be established, using existing resources and representing TCHC and City staff from Legal Services, Real Estate Services, Shelter, Support and Housing Administration Division and the Tenants First. It will take several years to complete the process of transferring these properties. This report seeks authority for the General Manager of Shelter, Support, and Housing Administration to provide Service Manager Consents under the Housing Services Act, to transfer Agency and Rooming Houses (2016 MPAC assessed value of \$32.349 million and \$25.607 million, respectively for a total of \$57.956 million).

Table 2: Proposed Timeline for Transfer of Agency Houses and Rooming Houses

	2018	2019	2020	2021
Agency Houses	-Offers to agencies -Transfers for those that are successful -Include the remainder of houses in the RFP for scattered portfolio		-Complete transfer of those in the larger RFP	

	2018	2019	2020	2021
Rooming Houses	<ul style="list-style-type: none"> - Allocate support funding to a lead agency to identify needs and develop support partnerships - Initiate process to engage with possible future operators 	<ul style="list-style-type: none"> - Select operator(s) through an RFP process 	<ul style="list-style-type: none"> - Work with operator(s) on a development plan - Initiate transfer process 	<ul style="list-style-type: none"> - Complete transfers of rooming houses

Develop a plan to transfer the Single Family Houses

The remaining scattered housing portfolio consists of 660 single family houses comprising a total of 783 units. In addition, any buildings that are not successfully transferred through the Agency House and Rooming House processes will be added to the single family houses portfolio to ensure their ongoing use as affordable housing.

Next Steps:

- An RFP will be issued to non-profit housing organizations including housing co-operatives and Community Land Trusts
- Proponents will need to present a viable business case and demonstrate a willingness to work within a changing social housing sector, build capacity over time and work closely with other organizations
- Accountability tools will be outlined in the RFP
- City staff will conduct a detailed financial and risk assessment of the transfer of this portfolio, including assessment of individual properties
- A joint review panel made up of TCHC and City Staff will make a decision about successful transferee agency or agencies
- Council will review the results of the financial and risk assessment prior to approving the award of the RFP

A transfer of a public asset of this magnitude to the non-profit sector comes with risk and the process must be grounded in best practices, thorough planning and a strong accountability framework. Staff will rely on lessons learned in other jurisdictions and report back to Council prior to confirming any transfer. Three important risk areas that must be mitigated in a transfer of the single- family houses are the protection of future access and affordability, tenant satisfaction and the on-going State of Good Repair of the portfolio. It is expected that the successful proponent will report to the City on Key Performance Indicators directly related to the risk factors identified above. A role for the City in the governance of the organization will also be considered. As noted in the Agency Houses section, there may be some Agency Houses added to this portfolio. Preference will be given to proponents who are able to take responsibility for lease management of the Agency Houses.

Action 3: Ensure effective governance and facilitate ongoing tenant representation on the TCHC Board through the transitional phase of TCHC transformation.

Renewed Mandate:

As summarized in Appendix 4, TCHC and the City have begun the process to renew the TCHC mandate. The new mandate will be: clear and simple to understand; reflective of the City's expectations for its Local Housing Corporation; matched to a sustainable funding model to support its core business; and focused on serving families and mixed communities in a smaller portfolio. The mandate of TCHC will be linked to a new permanent funding formula currently under development. This formula will provide the foundation for a successful, stable and sustainable social housing provider.

Pilot Projects to Plan Core and non-Core Service Delivery:

Creating a renewed mandate for TCHC will require decisions about the components of TCHC's business that the City and TCHC agree are its core business, recognizing that the responsibilities of a social housing landlord are different from a private landlord. All elements of the core business will be related to providing service excellence for tenants. The core business of TCHC will include high level outcomes like tenant safety and clean and well-maintained buildings. Two different sets of pilot projects have been launched by TCHC and the City to explore service delivery approaches and partnerships:

- The **Decentralized Property Management pilot** is looking at strategies for providing clean and well-maintained buildings and is testing a service delivery model that is closer to the ground, standardized, with better communication with tenants and more local decision-making.
- The **Youth Services Focus and Community Action Planning pilots** are exploring how the City and TCHC can work together, with other community partners, to achieve the shared goal of vibrant communities. These pilots will help to define the respective roles, responsibilities and resources of the City and TCHC in promoting community development and revitalization.

Further information about the pilots can be found in Appendix 5.

Appointment of Tenants to TCHC's Board of Directors:

The TCHC Board of Directors has a total of 13 members including the Mayor or the Mayor's designate, 3 City Councillors and 7 public members, and 2 Tenant Directors selected by tenants and recommended to Council. Tenant Directors are currently recommended by tenants and nominated and appointed through a process adopted by City Council.

The current process to elect tenant representatives was developed by TCHC tenants and was adopted by City Council in March 2004. The current tenant representatives on the TCHC Board were elected effective June 15, 2015 for a two-year term ending June 14, 2017 or until their successors are appointed. These two tenants continue to serve on the Board until a successor has been appointed.

City Council, tenants and a number of stakeholders have called for an updated process to elect and appoint tenants to the TCHC Board of Directors (re: CC7.12). This includes feedback received by TCHC through their tenant engagement processes and by the City through Tenants First.

With the ongoing transition of TCHC and the TCHC review of their tenant engagement system, this work has been incorporated into Tenants First and will be presented as part of the Updated Shareholder Direction in 2019. However, new tenant representatives need to be elected to the Board for the 2018-2020 term hence an interim process is proposed to ensure tenant representation on the Board for the 2018-2020 term notwithstanding the existing Shareholder Direction and the process adopted by City Council in 2004.

The following interim process is recommended, after consultation with the City Manager's Office, the City Clerk, TCHC and Tenants First staff, for the upcoming Board term, 2018-2020:

- TCHC to conduct outreach and promotion to TCHC tenants inviting applications for appointment to the Board of Directors
- TCHC and City staff will hold information sessions for tenants interested in appointment to the Board of Directors, promoting the opportunity and highlighting the City's Public Appointments portal
- As per the Public Appointments process, the City Clerk's Office will take in applications and screen candidates for eligibility
- In order to make the system more comfortable for TCHC tenants and to maximize participation in this system, a selection panel composed of City staff and a TCHC tenant will shortlist, interview and recommend candidates to the Corporations Nominating Panel for appointment by City Council including addressing any vacancies as they arise

Alternates will no longer be selected as this is contrary to the Public Appointments Policy and not aligned with the appointment of directors under the *Business Corporations Act (Ontario)* (OBCA). In the case where tenant representatives are unable to continue on the Board the vacancy will be filled by the process outlined above.

As noted above, it is recognized that a permanent solution must be developed with the input of TCHC tenants and TCHC as the Tenants First work proceeds. The deliberate alignment of a full review of the selection process for Tenant Directors with the phased work of Tenants First will allow for the City as shareholder to provide clarity to future Board Members including Tenant Directors while establishing a governance structure that is appropriately suited to the emerging mandate and focus of TCHC.

In addition to immediately responding to concerns about the current process and aligning the selection process for Tenant Directors with the evolution of TCHC, an interim process can provide additional benefits in the short-term including:

- Fostering board equity by harmonizing, where possible, the recruitment process for Tenant Directors and other citizen members
- Reinforcing the importance of lived experience on City boards
- Increasing engagement and outreach in TCHC communities and with tenants to build local capacity and to market other (non-TCHC) board opportunities

Next Steps

The Tenants First Phase 1 Implementation Plan sets a clear direction to advance the redefinition and revitalization of TCHC as a landlord with more focused mandate and a smaller housing portfolio. This report outlines the next phase of the Tenants First project, comprising 2 key actions to: (i) Establish clear roles and relationships with non-profit organizations and a new ownership and delivery model of a portion of the TCHC portfolio; and (ii) Ensure ongoing tenant representation on the TCHC Board during this transitional phase.

These actions are based in a new relationship between the City and TCHC, including ongoing communication and collaboration with the TCHC Board, the new Chief Executive Officer and leadership, and staff across TCHC divisions. These actions have been developed through ongoing consultation with the Tenants First Tenant Advisory Panel, as well as with other stakeholders. Since last reporting to Council, Tenants First staff met with four Tenant Councils, Social Housing providers and advocates, labour representatives, and the Toronto Central Local Health Integration Network (TC LHIN).

Throughout the next phase of Tenants First work, engagement will focus on keeping affected tenants updated about the scattered portfolio, and informing tenants about opportunities for appointment to the TCHC Board of Directors. Tenants First staff will continue to work with TCHC and TC LHIN to involve tenants, advocates and service providers in improving service delivery and tenant engagement, implementing pilot projects; and new tenant decision-making structures.

A report detailing the steps and resources necessary to create a Seniors Housing and Services Entity will be submitted for Council consideration in Q2 of 2018.

Staff from the City and TCHC will continue work to define the mandate for the new TCHC, and to develop a permanent funding formula which supports TCHC to both deliver its core responsibilities and to work in partnership to ensure tenants have access to support services. An updated Shareholder Direction will be presented for Council consideration as this work is completed. The updated Shareholder Direction, including a renewed mandate, funding model, and key performance indicators, will be presented to City Council.

Transforming TCHC to a sustainable, adequately funded and focused social housing landlord is a long-term process. This report builds on previous work recommending practical actions to segment Toronto's social housing stock into distinct parts which can be more effectively managed by appropriate organizations, and which make efficient use of municipal, provincial, and federal resources. Most importantly, the report recommends actions which will improve services for tenants in the short-term, medium and long-term, ensuring that the needs of tenants are placed first in delivering social housing to Toronto residents.

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SIGNATURE

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ATTACHMENTS

Appendix 1. List of Scattered Portfolio properties
Appendix 2. Proposed Transfer Plan for Rooming Houses and Agency Houses
Appendix 3. Community Land Trust overview
Appendix 4. TCHC mandate overview
Appendix 5. Pilot Summary
Appendix 6. Additional Recommendations