



March 20, 2019

Deputation

To: Planning and Housing Committee

Re: Item 3.6 – Expanding Supportive Housing in Toronto - Update

My name is Jean Stevenson. I am the Executive Director of Madison Community Services – a mental health case management and supportive housing provider. I am also a member of the Toronto Alliance to End Homelessness (TAEH) Steering Committee and of the TAEH Development Working Group. On behalf of the TAEH, I am here to commend the Deputy City Manager together with the Affordable Housing Office (AHO) and the Shelter Support and Housing Administration staff for this proactive first report re the City's goal of 'Expanding Supportive Housing in Toronto'.

On behalf of TAEH, I also want to take this opportunity to thank City Council for directing the Deputy City Manager, Community and Social Services, to report on options for an "aggressive supportive and transitional housing build plan in Toronto." The motions passed by Council at its January 30th meeting such as:

- "that new supportive housing be included in as many as possible, but target at least one, of the sites identified in the Housing Now initiative and that enhanced consideration be given to submissions that include new supportive housing for all eleven Housing Now sites"
- And the motions that recognize the need to find ways to address the need for deeper levels of affordability –
- demonstrate that the deputations which the TAEH made to the Executive Committee with recommendations on improvements to the Housing Now Initiative were heard clearly by the Mayor and the other committee members. We thank them for that.

Regarding this agenda item – 'Expanding Supportive Housing in Toronto – Update', I attended the February 15th meeting along with 18 other providers of supportive and transitional housing. And I would like to attest that the Update has accurately captured the identification by the providers of the numerous challenges that need to be addressed to support the creation of a larger stock of supportive housing. The Report also captures the range of concrete suggestions that were made at the meeting that could help expedite the creation of additional supportive housing units.

In preparation for a Charrette which is planned by TAEH and the AHO, the TAEH Development Working Group carried out an initiative where interviews were conducted with eight supportive housing providers with recent development experience. I have also been asked to share with the Planning and Housing Committee a number of the recommendations which emerged from these interviews, because there are many similar themes which reinforces this staff Report.

In the interest of time - I will highlight verbally the primary recommendations and a few of the key actions steps. And for the committee's information I have included in my written deputation the full recommendations with the suggested action steps for each.

Commit all City divisions to facilitating new supportive housing development

The City has embraced an "all of government approach" to creating affordable housing through its new Housing and Planning Committee, and Housing Now initiative. To enable the City to meet its annual target of 1,800 new supportive housing units, we need the City to take a similar approach:

- **Recognize the creation of perpetually affordable housing -- accessible to people on OW and ODSP who need support-- as a City priority in all City divisions.**
- Ensure delivery targets for new supportive housing are included in the Toronto Housing Plan 2020-2030.
- Commit capital funding and rent supplements in the City budget for new supportive housing.
- Make supportive housing a priority for all city-owned sites (see below).
- Consider an "official trouble-shooter" position to advance supportive housing.

Streamline municipal planning approvals

The Housing Now initiative calls for dedicated staff from the City Planning Division to fast-track municipal planning approvals. We are seeking a similar approach for supportive housing on other sites that:

- **Starts with the question, "How can we make this project work?"**
- Streamlines approvals to keep costs down, recognizing that in recent year's construction costs were increasing by 1% per month. (For example, the cost of one 36-unit project increased by 30% during the 2½-years it took to get the necessary approvals).
- Accepts that innovative supportive housing models do not always match the definitions set out in Toronto's Official Plan or Zoning By-law. Let us recognize that "residential is residential," regardless of the characteristics of the people being housed or the provider's support model.

Co-ordinate City funding programs with Federal and Provincial funding programs

- **Take full advantage of provincial supportive housing funding.** Among the eight supportive housing providers interviewed, over 150 health-funded rent supplements and three support FTEs lay fallow because of delays in housing approvals. In some cases, these subsidies may need to be returned in the year they were approved. We recommend that the City co-ordinate its work with the Ministry of Health and LHINs (or any successor organization) to take full advantage of these significant subsidies.
- **Align Housing Now, Open Door and NHS Co-Investment Fund approvals.**
In our experience, the applications for both the NHS Co-investment Fund and Open Door have been very costly for providers to prepare — costs that either reduce affordability or increase public costs.

The City has already taken a welcomed first step towards coordinating Housing Now and NHS funding approvals. Is it possible to extend this work to other affordable and supportive housing sites? Some possibilities:

- Replacing the annual RFP for proponents seeking relief from fees, charges and taxes (but not land or direct funding) with an ongoing system of delegated administrative approval to qualified non-profit applicants. For example, we understand that in Ottawa, verification of non-profit or charitable status is sufficient to access relief from charges and fees for affordable housing developments.
 - Building on the Parkdale Rooming House Acquisition Pilot, the City should establish a City-wide funding program to facilitate acquisition of existing affordable rental housing by non-profits.
 - Coordinating any municipal funding approvals with the Co-investment Fund's continuous intake process.
 - Consulting and partnering with TAEH members to ensure the best use of the new Non-Profit Housing Capacity Fund.
- **Facilitate the development of supportive housing on City-owned sites.**
Effective use of City sites such as the 11 Housing Now sites, combined with Ministry of Health rent supplements, will be crucial to achieving the City's supportive housing targets. We recommend:
 - Capitalizing on supportive housing's commitment to maintaining perpetual affordability and ending homelessness. Set aside a portion of units on each Housing Now site for supportive housing. Give preference to for-profit developers that partner with supportive housing owners and operators.
 - Stacking operational and capital funding from Federal homelessness and Provincial health programs to create maximum affordability. Remember that most supportive housing units are bachelor or micro-units with no parking requirements.
 - Consulting with TAEH members to ensure the best use of the new Non-Profit Capacity Fund. Strengthen the sector.

Strengthen the supportive housing sector

Supportive housing providers recognize we must strengthen our own development capacity.

Some ideas we'd like to explore:

- Building or acquiring larger mixed supportive/market buildings, learning from developments in New York City and Peel Region.
- Making more effective use of the sector's asset value and total revenue stream to increase borrowing capacity, rationalize the portfolio, intensify existing sites, reduce risks and increase asset management expertise.
- Strengthening the sector's collective development capacity, learning from such models as the Calgary Homeless Foundation and HomeSpace Society (formerly Calgary Community Land Trust Society); Ottawa's Cahdco; Vancouver's Community Land Trust Foundation and the US Corporation for Supportive Housing.
- Creating an affordable housing revolving fund supported by a combination of philanthropy and patient capital investment.

In conclusion, on behalf of TAEH, I'd like thank everyone involved in creating and being committed to this significant goal of the City to create an 'aggressive supportive and transitional housing plan in Toronto'. Such a plan is essential if the City is going to achieve its annual target of creating 1,800 new supportive housing units a year.

We very much appreciated the first consultation meeting on February 15th with AHO and SSHA and we look forward to the next meeting; the planned Charette with city divisions and the opportunity to participate in the consultations on the development of the City's new Housing Plan 2020-20130.