



TAEH Deputation re PH6.3 – Housing Allowances – May 28 2019

Thank you for the opportunity to speak with you today. The Toronto Alliance to End Homelessness (TAEH) is a collective impact initiative committed to ending homelessness in Toronto. We are also the City's Community Advisory Board on Homelessness. Our vision is zero chronic homelessness in Toronto – when on any given day we will always have more sustainable housing available than we have people experiencing chronic homelessness.

We wrote in support of Motion MM5.2 when it went before Council in March, and commend Councillors Bailão, Cressy and Bradford for tabling it then, and for continuing to champion the much needed increase in available housing allowances in Toronto.

There is no doubt that housing allowances are a critical tool in ending people's homelessness. Allowances provide a pathway to stable housing, and effectively prevent and divert people from homelessness. In turn, this keeps people out of shelter, releasing some of the well-documented and widely understood pressures on our city's emergency system, including respite centres now where people are "aging in" to chronic homelessness.

In other words, investing in people's ability to secure and keep stable housing is a far better use of Toronto's taxpayer dollars in addressing homelessness than only spending on shelters and other emergency responses. The original motion that started this current discussion of what more the city can do clearly laid out this argument as well as the scope of the need for more allowances.

We understand, of course, that since that time the overall City budget is facing a significant new challenge in the face of provincial cuts. We understand too that responding to this challenge requires city-wide analysis and discussion on shared priorities as adjustments to the new operating deficit are made and that the development of any new housing allowances must take place in this context.

The one thing that hasn't changed, however, is the state of homelessness in Toronto. It is still a crisis, still an emergency on many levels. Pressures on housing affordability, including the dire lack of the deeply and supportive housing that responds to the needs of those experiencing or at risk of homelessness, continue unabated.

In this environment it would be easy to keep doing what we're doing – spending on shelters, respites and emergency response that only manage homelessness – instead of fighting for more of the tools – like housing allowances – that end it. Therefore, we are encouraged that today's report does not simply recommend ending any new allowances with the Toronto Transitional Housing Allowance Program (TTHAP) after it ends later this week, but that it indicates a path forward for figuring out how to fund its extension.

Of course, for any housing allowance to be effective for people living in homelessness, it must also be strategically designed to meet today's realities. Meaning that it must honestly respond to the current cost of housing in Toronto and the disparity between this and the income of most people needing an allowance. For example, it must be deep enough per household to make up the difference between the OW shelter allowance maximum of \$390 for a single adult and the average market rent of \$962 for a bachelor apartment.

The affordability gap here cannot be overstressed. In 2017 the City itself identified that the difference between CHMC average market rents (AMR) – our traditional benchmark – and the *real* asking rents in Toronto was anywhere between 40 – 68%. As the chart shared below shows, this means that instead of designing an allowance

to meet AMR of \$1,137 for a one-bedroom unit, we need to make it deep enough to afford the asking rent of \$1,614. In other words, a target of 80% of AMR is no longer enough – it must be 100% of AMR.

Two other critical points we recommend as part of any new tool are:

- that it reflect the real cost of rental housing by moving up or down as rents do; and
- that housing allowances become permanently available for all relocations, including from illegal evictions

Finally, the TAEH, as the City’s Community Advisory Board, must be part of future discussions on how to best design any future housing allowances in order to truly end people’s homelessness. This includes advising on how the new Ontario Priorities Housing Initiative (OHPI) is allocated – especially if it is the funding source the City ultimately decides on for new housing allowances, be it the extension of the TTHAP and/or a set of net new allowances.

We bring together the expertise and knowledge of the vast majority of agencies and organizations serving people experiencing homelessness, and are finding ways to make those not yet included feel welcomed. We include a Lived Experience Council, and are the group tasked with developing the city’s Community Plan for the next 5 years of investments. We look forward to continuing to work with the new Housing Secretariat and SSHA in the weeks and months to come.

CONCLUSION

Thus, to conclude, when the next report comes to Council in July we look forward to seeing not only the extension of the TTHAP but also net new housing allowances that are deep enough to allow people to afford the real rents in this city, and that they will have been developed in consultation with TAEH and others in the non-profit sector.

Only if we have net new, deep, allowances can we end more peoples’ homelessness and ease pressure in our shelter and respites before the 2019 winter begins.

Sincerely,
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AVERAGE RENTS vs ASKING RENTS – City of Toronto - 2017

Unit Type	CMHC Average Monthly Rent (2017)	Average Asking Monthly Rent (2017)	Difference: CMHC and Asking Rent
Shared	No information	\$735	NA
Bachelor	\$962	\$1,342	40%
1 Bedroom	\$1,137	\$1,614	42%
2 Bedroom	\$1,341	\$2,252	68%
3 Bedroom +	\$1,595	\$2,403	50%
All Units	\$1,308	\$1,829	40%