

Housing and People Action Plan:

Responding to the COVID-19 Crisis while
Planning for a More Resilient Future





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“We have a once-in-a-lifetime opportunity to make real systemic changes. As we move from fighting the pandemic to building a better future, let us continue to work collectively in unprecedented ways to achieve safe, secure and affordable housing for all.”

– Deputy Mayor, Ana Bailão



Executive Summary

The COVID-19 crisis is having a significant impact on the health and socio-economic well-being of residents in cities across Canada. The pandemic has quickly exposed pre-existing gaps and vulnerabilities in the housing and homelessness systems. In particular, from a housing perspective, residents hardest hit by the pandemic are those who are economically and socially vulnerable and marginalized. This was highlighted with recent Toronto Public Health data indicating that 83 per cent of people who have contracted COVID-19 in Toronto are racialized yet only make up 52 per cent of the city's population¹.

In addition, what has become abundantly clear is that good housing policy and good health policy cannot exist without each other. The lack of access to affordable, suitable and adequate housing during the COVID-19 pandemic has been as much of an individual health risk as it is a larger public health risk. The crisis has also highlighted the fundamental interdependencies of our housing, health, social and economic systems, and how our aim to emerge stronger from COVID-19 must include a clear housing focus based on equity and resilience.

As Toronto and cities across Canada work around the clock on the front lines with community partners to support residents during the COVID-19 crisis, it is equally important to plan for recovery. The recent, quick and extraordinary measures taken by all orders of government and stakeholders during the pandemic have shown that governments can and must work together quickly and effectively to tackle critical issues impacting the health and well-being of residents. These actions have also emphasized that now is the time to rethink and re-design our socio-economic and public health systems. Now is the time to press the “reset button” and work together to build a more resilient future where everyone is included – and no one is left behind.

In late March 2020, in response to the COVID-19 crisis, the City of Toronto, under the leadership of Deputy Mayor Ana Bailão, established a Housing Action Team. The Team is comprised of representatives from various sectors brought together to flag new and emerging issues, collectively identify solutions, and plan for longer term recovery. Specifically, the Housing Action Team is focussed on solutions as they relate to people (people experiencing homelessness, renters and operators/landlords) and the creation of a diverse set of affordable and market rental housing opportunities.

The policy actions and considerations for all governments presented in this Action Plan have been prepared with the invaluable input of the Housing Action Team. They include policy actions and considerations aimed at: 1) providing stability for cities and people; and 2) stimulating economic recovery and building resilience through protecting and increasing the supply of housing across the housing continuum.

1 Statistics Canada. Table 36-10-0594-01 Input-output multipliers, detail level <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610059401>

Context

Municipal Fiscal Challenges

As cities work on the front lines with community partners to support residents during the pandemic, they themselves are facing tremendous operating pressures.

Since the pandemic began in mid-March, the City of Toronto, consistent with other large Canadian municipalities experienced significant financial impacts in the form of both added costs and revenue losses as a direct result of COVID-19.

In July 2020 the City of Toronto announced an anticipated financial impact of \$1.9 billion for tax-supported programs by the end of 2020, prior to any offsets through mitigation strategies..

The July announcement of a federal “Safe Restart Agreement” committing \$19 billion to provinces and territories has been a good first step to address the fiscal challenges municipal governments are facing as a result of COVID-19. Ontario received \$7 billion of this investment and allocated \$4 billion to cities. These funds will help relieve some financial pressure, but ongoing partnership is required.





Providing Stability for Residents

Municipal governments recognize the significant COVID-19-related investments that have been made by the federal and provincial governments including funding through the federal Reaching Home program, the Ontario government's Community Homelessness Prevention Initiative (CHPI), and various direct supports to individuals and businesses. However, even combined, these funding streams are not enough to appropriately address the homelessness and housing challenges faced by residents, especially in large urban centres.

Direct and immediate financial assistance from the federal and provincial governments is needed to support emergency responses to the pandemic. Specifically, to support the homeless population during COVID-19, cities such as Toronto, have had to significantly expand local shelter systems to ensure physical distancing and isolation, enhance cleaning measures, and increase supports for vulnerable residents. In the absence of these measures, the COVID-19 virus would spread quicker among those living on the street and in shelters, which would ultimately pose a larger health risk to communities. Such emergency measures are costly and have added tremendous financial burden to cities. For instance, for the City of Toronto, the cost to operate a shelter bed pre-COVID-19 was over \$3,300 per month and under the new COVID-19 scenario, this has more than doubled.

With careful planning, urgent, life-saving actions and investments can be made to contribute significantly towards the recovery of cities. As an example, as Toronto and other cities look to secure additional emergency shelter space, consideration should be given to new leases or purchases that provide longer term options for transition into permanent homes. This would improve outcomes for people and reduce ongoing operating and "sunk" cost to the public sector.

In addition to the urgent financial assistance needed by municipalities to support vulnerable and marginalized residents, enhanced support for renter households, particularly those living in core housing need, is required from the federal and provincial governments, both during and after the pandemic. This includes eviction prevention measures for households that have been directly impacted by COVID-19 and measures to promote longer term affordability.

Increasing Resilience through Permanent Housing Solutions

Economic Recovery

Housing is a key driver of social and economic growth. All governments need to direct resources to address the urgent housing and health needs of residents. Intergovernmental collaboration is required to ensure that these needs are met while supporting the key role that municipal governments play in planning and delivering on federal and provincial economic stimulus measures.

Much like other investments in infrastructure, affordable housing has an economic stimulus effect in terms of jobs created in the areas of design, manufacturing, construction and renovation. For instance, investments in residential construction deliver one of the largest economic multiplier effects. For every \$1 million invested in residential construction, a total of 10 jobs are created including five direct jobs and five additional indirect and induced jobs². This multiplier effect is slightly higher for renovations, and has a unique impact when focussed on retrofits that improve energy and climate outcomes.

It should be highlighted that during 2009–2011 global recession, federal stimulus, which included \$2 billion for social and affordable housing construction and repair/renovation, was pivotal in supporting the Canada’s resilience both during and after the recession. In Toronto, about 1,600 affordable homes were funded during this period. Similar investments in 2016 resulted in a number of “shovel ready” social housing retrofit projects being completed in Toronto.

Collaboration across governments is essential to ensure that stimulus measures take effect. The risks are too high to allow for funds to be deployed slowly, delaying economic recovery but more importantly, delaying the provision of affordable housing for those most vulnerable. It is crucial that stimulus measures include the necessary resources to meet housing needs across the housing continuum, most focused on those either without a home, or facing an immediate loss of housing. All orders of government have committed to significantly reducing or ending chronic homelessness by the end of this decade. By working together our immediate pandemic emergency and recovery responses can ensure these commitments are met.

Stimulus measures are also needed to preserve and expand the existing supply of affordable housing including: supportive housing; accessible housing for our growing seniors population; culturally appropriate Indigenous housing; housing for Black and People of Colour; affordable rental housing that meets the needs of many key workers in our cities and affordable and market rental and affordable ownership housing to address the supply shortage. Building housing for everyone in our communities will be crucial in filling the gaps exposed during the pandemic.

2 Statistics Canada. Table 36-10-0594-01 Input-output multipliers, detail level
<https://www150.statcan.gc.ca/t1/tb1/en/tv.action?pid=3610059401>

Building Resilience

All orders of government have agreed that permanent housing solutions improve the health and well-being of individuals and society as a whole, and are essential to reducing chronic homelessness. Implementing permanent housing solutions, rather than focusing primarily on short-term emergency measures, would make a profound contribution towards expediting recovery from COVID-19 and building the resilience of cities. Additionally, investments in permanent supportive housing would significantly reduce costs to the health care, emergency shelter and justice systems.

In addition to housing for people experiencing homelessness, during the pandemic the critical importance of key workers in supporting our individual and collective well-being became even more obvious. Yet, some of these workers such as delivery drivers, cleaners, nursing staff, personal support workers, child care workers, grocery store workers, etc., often earn lower than average incomes, with a large number struggling to afford shelter costs. New investments in affordable housing for low wage workers and for those experiencing homelessness are needed to help cities attract and retain workers necessary for economic recovery and to grow the economy.

The acute need for appropriate housing choices that divert and delay seniors from requiring institutional long-term care is also of particular importance. By May of this year, about 80 per cent of the deaths in Canada from COVID-19 occurred in long-term care settings, making it clear that there is a need for system reform³. So, while there are likely to be changes to the long-term care system in the future, action must be taken now as cities plan for significant increases in their senior's population over the next 10 to 15 years. In Toronto alone, it is estimated that the number of seniors will increase by 59 per cent or some 700,000 people. As a result, strong and effective housing and senior service systems will be needed to assist these households. We will need to rethink the way we approach seniors care, including measures to effectively age in place to prevent the overwhelming of our hospitals, long-term care and nursing home facilities.

Now is the time for all orders of government to act to protect residents from the life-threatening coronavirus and other vulnerabilities, and build our resilience as a city, region, province and country. It is essential that all orders of government align resources and immediately shift the focus away from providing costly, unsustainable emergency measures to providing permanent affordable housing solutions. The strong network of non-profit and private sector housing organizations stand ready to play their role in working with cities to deliver these necessary results.

3 https://www.cihi.ca/sites/default/files/document/covid-19-rapid-response-long-term-care-snapshot-en.pdf?emktg_lang=en&emktg_order=1



Guiding Principles and Considerations for Decision-Making

As all orders of government and stakeholders plan for recovery, it is important to plan and act from a consistent and clear set of principles and considerations to guide future housing policies, programs and investment decisions by governments.

The 10 principles and considerations set out below have informed this Action Plan and have been endorsed by the Housing Action Team as a guide to inform ongoing decision-making by governments.

- 1. Advance housing as a human right:** In order to “stay at home” to fight the spread of the pandemic, one must have a home. The current pandemic has highlighted the acute issues faced by persons and families without a safe and secure home. To strengthen the resilience of our public systems, governments and stakeholders need to take measurable actions to advance the progressive realization of the right to adequate housing.
- 2. Meet the urgent and critical needs of those without homes:** Families, couples and individuals who are experiencing homelessness and staying in shelters or outdoors have been shown to be at significant health risk due to the pandemic. The City of Toronto has taken significant action to ensure physical distancing in shelters and is taking ongoing measures to protect people experiencing homelessness from COVID-19. While emergency responses to homelessness are critical to provide a crisis response in the short-term, re-orienting investments and leveraging current assets towards permanent housing with appropriate supports is critical to reducing chronic homelessness and providing long-term solutions.
- 3. Provide immediate housing stability for existing renters:** Measures taken by provincial governments across the country to temporarily halt the evictions helped many renters to remain safely housed. However, as these eviction moratoriums are lifted, we need new measures to ensure that renter households can maintain their tenancies. As the future will continue to be financially precarious for both landlords and renters during the pandemic, governments will need to increase and enhance financial support for the rental housing sector including: direct supports to renters and landlords through measures such as a rent stabilization fund; streamlined rent bank supports for tenants; and unit-based rent subsidies to complement portable benefits. Unit-based subsidies can be targeted to homeless and other vulnerable households and can be a win-win, maintaining sufficient revenue for landlords of deeply affordable housing and ensuring that vulnerable and marginalized people have a permanent home in a supportive community.

- 4. Expedite and improve coordinated access to permanent homes:** Cities continue to struggle with too many residents on excessively long waiting lists for appropriate housing – whether it be for social, supportive, accessible, or affordable housing. Quick solutions are desperately needed now to provide a “relief valve” in our housing and shelter systems. The modernization of social and supportive housing waiting lists using technological solutions would provide a better way of keeping track of people on the waiting list and triaging applicants in a timely manner. Enhanced coordination of municipal social housing waiting lists with those of other supportive and social housing providers, plus the acceleration of choice based letting through simplified applications would help connect individuals more quickly to permanent homes. Municipal governments and landlords/housing providers should also focus on removing barriers in the applicant assessment process. There may be additional opportunities to combine what are now “scattered” resources for capital, operating and services across different municipal and provincial departments which should be pooled and bundled to achieve new permanent supportive housing units.
- 5. Increase supply of permanent affordable housing as a recovery stimulus:** Investments in affordable housing have an economic multiplier effect. The federal government estimates that for every \$1 million invested in residential construction, a total of 10 jobs are created⁴ As a direct response to the pandemic which has highlighted the risks of not having a home, as well as to assist in achieving Canada Mortgage and Housing Corporation’s (CMHC) objective that, “By 2030, everyone in Canada has a home that they can afford and that meets their needs” there is an imperative to scale-up and speed-up investments under the National Housing Strategy. Specifically, by expediting deeper upfront capital grant funding to permanent affordable housing initiatives, especially those which are shovel ready within the next two years. Funding should also be extended to a modular housing program and to support the acquisition of existing buildings and the acquisition of property to be land banked for permanent affordable housing. Federal stimulus actions should expand investment in housing repair, energy retrofit and green construction, demonstrating a deliberate effort to combat climate change by reducing residential energy consumption.
- 6. Expedite the approval and delivery of affordable housing projects:** Municipal governments play a unique role in delivering local housing and homelessness services and in the approval of new residential developments. Support from the private and non-profit development community is also essential in providing and developing permanent affordable housing to residents. To support recovery efforts, municipal governments must strengthen and embed in their processes, the prioritization of affordable housing projects across all divisions. If delivery of municipal housing initiatives have been delayed by the pandemic, then they must be expedited, and municipalities should deploy tools and resources focused on fast-tracking affordable rental and affordable ownership planning applications. Municipal incentives such as density, planning relaxations and property tax relief should also be prioritized for affordable housing projects that provide long-term affordability.

4 https://www.cihi.ca/sites/default/files/document/covid-19-rapid-response-long-term-care-snapshot-en.pdf?emktg_lang=en&emktg_order=1

- 7. Strengthen the Community Housing Sector:** During the pandemic, more than 100,000 families, couples and individuals in Toronto have been able to depend on having a safe and affordable home as they live in non-profit, co-operative, supportive housing. All governments have a role in financially supporting this sector to enable strong and appropriate service delivery to residents, while ensuring the financial viability of these providers. Going forward, governments have a unique opportunity to work with the community housing sector, including Indigenous peoples and organizations, to increase the supply of new affordable homes from both the renovation, acquisition and construction of permanently affordable homes. This includes prioritizing non-profit housing providers for municipal, provincial and federal lands and resources, including freehold and nominal value transfers to enhance affordability and organizational sustainability. A formal valuation of public benefits when assessing disposition should be embedded in government processes to increase opportunities for affordability. Additionally, operating subsidies (i.e. rent subsidies and support services) should be expanded and enhanced to create much-needed supportive housing solutions.
- 8. Deepen collaboration with partners:** There is an opportunity for a new collaboration between federal, provincial and municipal governments. This should also be expanded to include equity-seeking groups (including Black, Indigenous and People of Colour), the business community, and the community housing sector as partners in planning and executing a concrete and comprehensive housing and people pandemic recovery plan.
- 9. Align housing, economic and health resources and policies:** As a leading part of recovery efforts and beyond, governments must embrace the fundamental relationship and interdependencies of our housing, health, social and economic systems. Housing, health and economic resources, policies and programs must be aligned and ramped up to provide a greater range of affordable housing, including supportive housing opportunities. This will help make our recovery stronger, more sustainable and resilient. It will also provide considerably better outcomes for people and the economy, and make us more resilient in the face of future pandemics and other threats.
- 10. Commit to a new “fiscal deal” with municipalities:** The whole of government response to the pandemic has been nothing short of impressive, unprecedented and it has saved lives. In putting people first, governments have made significant short-term emergency financial commitments. While the federal government’s support through the Safe Restart program is welcome, further support from the federal and provincial government is needed to help address all COVID-19 related financial pressures that cannot be absorbed and are non-recoverable. Moving forward, in planning for recovery, it is essential that all governments reflect on the current fiscal framework and that federal and provincial governments commit to a new “fiscal deal” with municipalities. A new fiscal deal would ensure cities have access to resources commensurate with their responsibilities and increased demand for directly-provided public health services; long-term care; affordable and social housing; and homeless services.

Summary of Policy Recommendations and Considerations

It is recommended that the federal and provincial governments support vulnerable communities by enabling the City of Toronto and other municipal governments through the following policies/ programs/actions:

Part A: Immediate Actions: Housing Emergency Response

1. Provide Emergency Funding for Cities and Community Agencies, including further expansion of funding under the Federal Reaching Home program and the Ontario government's Community Homelessness Prevention Initiative (CHPI) program.
2. Provide Urgent Renter Assistance
Urgent supports through the following, time-limited measures:
 - A. Expand and enhance local programs that support tenants at risk of eviction
 - B. Establish a provincially-funded temporary assistance program that supports tenants to pay the rent during the economic recovery
 - C. Implement measures to minimize the number of court ordered evictions during the pandemic

Part B: Immediate Actions: Housing Recovery

3. Expedite and Expand Delivery of the Canada Housing Benefit
4. Accelerate and Expand Funding for New Affordable Homes under the National Housing Strategy
5. Establish Dedicated Funding for a Modular Rental Housing Program
6. Fund Acquisitions and Renovations/Conversions
7. Provide Operating Funding to Create Supportive Housing
8. Consider Right of First Refusal Authority/ Approach for Strategic Acquisitions
9. Increase Investments in Permanent Affordable Housing, including
 - a) Creating Affordable Housing Opportunities For Indigenous By Indigenous Peoples and Organizations;
and
 - b) Housing Retrofit Programs
10. Increase Supply of Rental Housing through Other Policy and Financial Tools

The Challenge: Lack of affordable housing worsens the impact of COVID-19



- Prior to the pandemic, Canadian cities such as Toronto and Vancouver were already dealing with: unhealthy vacancy rates well below 2 per cent; unaffordable housing costs extending up to median-income households; and increasingly high rates of homelessness as experienced by Indigenous, Black and People of Colour; refugees; young people; women and children; survivors of domestic violence; lower-wage key workers/or earners; and persons experiencing chronic homelessness and in need of supportive housing.
- The onset of COVID-19 has placed significant strains and highlighted the vulnerabilities of emergency shelter systems particularly in large urban centres, largely due to immediate and ongoing need for physical distancing and isolation, as well as the need for enhanced infection prevention measures like cleaning and personal protective equipment (PPE).
- The shelter system has already experienced increasing pressures from the closure of other provincial systems like detox and crisis beds, as well as unplanned discharges from correctional facilities. Further stresses on the shelter system are anticipated due to significant medium and long-term job losses experienced by many households, including many renter households who were already living in core housing need pre-COVID-19.
- Renters, who on average earn less than half the income of home owners and are more likely to work in lower-wage service jobs, are also struggling financially as a result of the pandemic. These include many workers who have been shown to be invaluable during the lockdown, including delivery drivers, nurses, cleaners, hospital workers, child-care and long-term care workers.
- While federal and provincial income supports (including the Canada Emergency Response Benefit (CERB) and Wage Subsidy) and temporary eviction moratoriums across provinces helped many renters to remain securely in their homes in the short-term, these measures have been temporary. Ontario lifted its eviction freeze at the end of July, mortgage deferrals for homeowners are coming to an end, and the federal government is phasing out the CERB and replacing it with another suite of income supports.

- The need for rental housing and for more affordable rents, particularly in large urban centers, is predicted to intensify as a result of the COVID-19 crisis and its resulting economic effects, despite income and other support measures put in place by federal and provincial governments. For instance, almost half (46 per cent) of renter households have less than a month's worth of savings to weather the economic shock and loss of income resulting from COVID-19 closures.
- While unemployment rates have rebounded since the beginning of the pandemic, they remain high. It is likely that some homeowners who have lost jobs may be faced with unmanageable household debt, forcing them to exit the homeownership market and seek rental accommodation. Pre-COVID-19, an estimated 451,540 owner households in Canada were already paying more than 30 per cent of their income on shelter costs, highlighting the financial vulnerability of these households.⁵
- Residential landlords, particularly non-profit and affordable rental housing operators, are projected to also require financial supports to offset loss of rental revenue, negatively impacting their ability to provide services to renters and adequately maintain and operate their buildings.
- There are some individuals who require income assistance as they do not qualify for existing government programs, including people without legal status in Canada, who are facing extreme hardship during the COVID-19 crisis and need to be considered.
- Municipal governments have diminished capacity to continue to support costly emergency measures as well as provide the assistance required to renter households facing financial distress. Immediate support is needed from the federal and provincial governments.

Scale of the Challenge

- The lack of stable, affordable and adequate housing has made it difficult for many individuals to self-isolate, self-quarantine or practice physical distancing to protect themselves and others during the COVID-19 crisis.
- To minimize future risk, governments need to accelerate the process of housing individuals that live in emergency shelters (chronic) or on the street by rapidly increasing the supply of permanent supportive housing for those that need it.
- Nationally, based on the 2018 Point-in-Time (PiT) count, it is estimated that on a given night 25,216 people, across 61 communities, were experiencing absolute homelessness in shelters or unsheltered locations. An additional 6,789 people were in a transitional program.⁶
 - Nearly one third (30 per cent) of respondents identified as Indigenous, with the majority identifying as First Nations. In contrast, approximately 5 per cent of the Canadian population identifies as Indigenous in the 2016 census, suggesting an overrepresentation of Indigenous peoples experiencing homelessness.⁷

5 <https://www.cmhc-schl.gc.ca/en/housing-observer-online/2017-housing-observer/housing-need-stable-in-canada-1-point-7-million-canadian-households-affected>

6 <https://www.canada.ca/en/employment-social-development/programs/homelessness/reports/highlights-2018-point-in-time-count.html>

7 <https://www.canada.ca/en/employment-social-development/programs/homelessness/reports/highlights-2018-point-in-time-count.html>



- Based on data from Statistics Canada's 2016 Canadian Income Survey, 1.6 million urban households, or 13.6 per cent of all Canadian households living in urban areas, were in core housing need in 2016.⁸ In Toronto, about 19 per cent of households live in core housing need.
- There are roughly 4 million households in Canada that live in rental housing, making up nearly one third (31.7 per cent) of all households in the country.
 - About half a million (557,435 or 13.7 per cent) tenant households live in subsidized housing.
 - In addition, prior to the COVID-19 pandemic, there were approximately 675,000 households living in non-subsidized rental housing with a total income of less than \$20,000 per year and an average rental cost of \$880 per month. These households could be in receipt of social assistance or be precariously employed.
- CIBC has estimated that 9 per cent of Ontario renters were unable to pay their rent in April and May 2020 (120,000 households).⁹ The Federation of Rental Housing Providers of Ontario estimates that 7 per cent of their members' tenants were not able to pay their rent in full.
- It is estimated that 30,000 new supportive homes will be needed in Ontario, including 18,000 homes in Toronto, over the next 10 years.¹⁰
- Besides the social and health benefits for individuals (and society at large as highlighted by the pandemic), public investments in permanent affordable and supportive housing opportunities results in cost savings of over \$100,000 per person per year associated with reduced use of emergency shelters, hospitals and jails (for each person housed in permanent supportive housing versus being homeless).

8 <https://www.cmhc-schl.gc.ca/en/housing-observer-online/2018-housing-observer/13-point-6-percent-urban-households-were-core-housing-need-2016>

9 https://economics.cibccm.com/economicsweb/cds?ID=11110&TYPE=EC_PDF

10 <https://www.bnnbloomberg.ca/video/challenges-facing-renters-and-landlords-in-ontario-s-residential-market~1977819>



IN TORONTO...

Despite the current pandemic, there is an urgent need to respond to pent-up housing demand while preparing for significant increased demand by 2030 due to:



an increase of up to

1 MILLION
PEOPLE MOVING TO THE CITY

(resulting in the population growing to about 3.6 million people)

the number of seniors aged

65+ GROWING BY
59 PER CENT
OR 700,000 PEOPLE



OVER 500,000

PEOPLE LIVING IN
LOW-INCOME HOUSEHOLDS

(up from 471,203 in 2016)

To address this current and future need, the City has set a target of approving **40,000 new affordable rental homes, including 18,000 supportive homes by 2030** under the **HOUSINGTO 2020-2030 ACTION PLAN**.

Policy Recommendations and Considerations

It is recommended that the Federal and Provincial governments support vulnerable communities by enabling the City of Toronto and other municipal governments, and working together to deliver the following policies/programs/actions:

Part A: Immediate Actions: Housing Emergency Response

1. Provide Emergency Funding for Cities and Community Agencies

- Funding is urgently needed by cities to quickly address the needs of vulnerable and marginalized individuals experiencing homelessness, as well as the agencies that support them.
 - The urgent need includes funding to secure and maintain facilities to ensure physical distancing (such as hotels, motels and other forms of short-term accommodation) and to provide Personal Protective Equipment (PPE), and support services including food service, case management services, etc.
- The recent expansion of funding under the **Federal Reaching Home program** and the Ontario government's **Community Homelessness Prevention Initiative (CHPI) program** has been well appreciated and essential for cities and their community non-profit partners to manage significant increased expenses during the pandemic. However, as the pandemic continues, more funding will be needed. In fact, most of the funding allocated by the federal and provincial governments to-date have already been exhausted or committed, posing grave concern for many cities and non-profit partners beyond the next few months.
- Any future allocation of resources must reflect local needs and the disproportionate share of people experiencing homelessness, and homeless services in large urban centres. Allocation of resources should also reflect the overrepresentation of Indigenous, Black and People of Colour and be directed at both meeting their urgent needs while at the same time, addressing some of the systemic and structural barriers faced by their communities.
- Additional program flexibility must be provided to facilitate a full range of services that reduce and prevent homelessness. This includes support in the form of ongoing operating subsidies to non-profit housing organizations in recognition of the added costs of maintaining housing for vulnerable people. Additionally, programs should encourage the pivot from emergency responses to long-term recovery and sustainability through permanent housing – and allow sufficient time for this to be done.

2. Provide Urgent Renter Assistance

- Immediate support needs to be provided to renter households that are struggling to make ends meet during the pandemic. It is recommended that the following time-limited measures be taken.

Table 1: Overview of Recommended Measures

MEASURE	OBJECTIVE	DESCRIPTION
A. Rent Bank Expansion	Provide discretionary support for lower-income renters in need and/or facing eviction, during and post pandemic	Enhance existing Rent Banks (i.e. interest free loan and grants for renters in need) and expand the program in other communities.
B. Temporary Rental Assistance Program	Provide support to tenants struggling to pay rent, through a broad, but temporary, rental assistance program.	Provide a time limited flat rate benefit to households with incomes below a set threshold and a high housing cost to income ratio. The assistance could include different streams to address a range of tenant needs.
C. Minimize evictions due to rent arrears	Minimize the number of eviction orders presented to and granted by the courts during the pandemic.	Provide guidance, and potentially financial support, for tenants and landlords to agree to appropriate repayment plans. Direct the courts to consider COVID-19 in their decisions, including the economic downturn and the health impacts of granting an eviction.

A) Expand and/or Enhance Rent Bank Programs

- A rent bank is a community-level program that provides low cost loans and flexible repayment terms to renter households who have regular income (within low-income guidelines) but are facing eviction. During the pandemic, many cities, including Toronto, have added additional resources to these programs.
- Additional funding to cities from federal and provincial governments can help communities establish rent banks or enhance existing ones. For example, an additional one-time investment of \$2 million was made to the Toronto Rent Bank which supported an additional 800 low-income households to remain housed during the COVID-19 pandemic. This was funded by the Province of Ontario's Community Homelessness Prevention Initiative – Social Services Relief Fund (CHPI-SSRF), allocated to the City of Toronto in response to the COVID-19 pandemic. This was a welcome investment, but ongoing additional funding is needed to meet current and anticipated growing demand. For instance while the CERB has supported many households across Canada, not all tenants have been able to stay on top of their rent payments. In addition, as eviction moratoriums are lifted and the CERB phases out, the demand for rent bank services is expected to increase during the economic recovery.
- Rent banks can also provide support to individuals who do not qualify for either social assistance or federal income supports, including people without legal status in Canada.

B) Temporary Rental Assistance Program

- A provincially-funded temporary rental assistance program would be a systematic and efficient way to help renters to stabilize their tenancies during the economic recovery.
- The CERB played a key role in supporting tenants to pay their rent during the first months of the pandemic. As the CERB is replaced with a new suite of federal income supports, provinces need to provide complementary benefits to ensure tenants can continue to pay their rent in the medium term.

- The circumstances of tenants will vary widely. In recognition of this, the temporary rental assistance program could include different streams to support those in need when it is needed. The streams could include:
 1. A one-off payment to support tenants to bridge the gap between the CERB, which is paid 4 weeks in advance, to Employment Insurance (EI), which is paid 4 weeks in arrears.
 2. Temporary EI top up to support tenants transitioning from a CERB income of \$2,000 per month to a minimum EI or Canada Recovery Benefit (CRB) income of \$1,600 per month.
 3. A temporary housing benefit to tenant households in financial need who do not qualify for EI, the CRB or social assistance.
- British Columbia's Temporary Rental Supplement Program demonstrated that a temporary renters benefit can be provided at a provincial level swiftly and with minimal administration.

C) Minimize evictions due to rent arrears

- In response to the evolving COVID-19 outbreak, many provinces including Ontario halted the issuing of eviction orders. However, these moratoriums have started to lift, and evictions for non-payment of rent can resume. Tenants must pay rent to avoid an eviction order being enforced, and many have fallen into arrears as a result of loss of income due to COVID-19. As eviction proceedings resume, measures should be introduced to minimize the number of eviction orders that are made and how many are granted.
- To reduce the need for an eviction order, the Landlord and Tenant Board (LTB) should provide clear guidance to landlords and tenants so that they can develop fair and appropriate repayment agreements. This is particularly important in Ontario where, since the passing of Bill 184, tenants who fall behind on a mediated repayment agreement can face eviction without a hearing.
- To minimize the number of evictions being granted, the LTB should also be directed to consider the economic hardship that COVID-19 has caused tenants, and consider the health impacts of an eviction order being granted.



PART B: Immediate Actions: Housing Recovery

3. Expedite and Expand Delivery of the Canada Housing Benefit

- As part of the National Housing Strategy, the federal government has committed to working together with provinces and territories to develop and implement the Canada Housing Benefit. The portable housing benefit is budgeted at \$4 billion over 10 years, and requires cost-matching from the provinces and territories. Based on the overall budget, it appears that it will preclude any form of extensive coverage.
- While the Canada Housing Benefit was originally scheduled to be implemented on April 1, 2020, only Ontario has amended its Bi-lateral Agreement to-date to add parameters of the program.
- For municipalities across the province of Ontario, the Canada-Ontario Housing Benefit (COHB), as an annual renewable program, is a key long-term solution to quickly reduce extreme shelter cost for a range of residents (including people experiencing chronic homelessness, individuals that are precariously housed or individuals on (or eligible to be on) the social housing waiting list), to secure and maintain affordable housing.
- Immediate roll out/expansion of this program would provide much-needed assistance and a “soft landing” for qualifying households as the time-limited emergency benefits end.
- In Toronto and the broader region, as an immediate COVID-19 response, additional allocations under the COHB are needed to urgently assist individuals and families.
 - As COHBs are portable anywhere in Ontario, the program will allow people to secure available rental housing both in Toronto and across the province where housing may be more affordable and to support a regional approach to housing.
 - Based on growing needs and high rental rates that have now been compounded by the current COVID-19 crisis, Toronto will likely need a substantial increase in its allocation under the COHB Program over the upcoming months, particularly if the COVID-19 crisis extends for much longer.
 - Through the 10-year HousingTO 2020-2030 Action Plan, **the City of Toronto has requested a total of 31,000 COHBs over the next 10 years** to help the large number of renter households that currently live in core housing need.

4. Accelerate and Expand Funding for New Affordable Homes under the National Housing Strategy

- As governments look for “shovel ready” social and affordable housing projects to create construction employment, a ready source of those projects already exist in the pipeline for National Housing Co-Investment Fund support.
- To expedite the approval process and enhance the delivery of financially feasible projects, it is recommended that CMHC review and revise the National Housing Co-Investment Fund

requirements. Improvements that should be considered include:

- **increasing the grant portion** of funding for permanently affordable non-profit projects;
- **increasing flexibility** on program parameters;
- **streamlining processes** and **rapidly accelerate decision making** on projects already in the project pipeline; and
- **allocating all uncommitted funding** within existing program envelopes to specific projects **within the next 6 to 9 months**.

5. Establish Dedicated Funding for a Modular Rental Housing Program

- Modular homes are pre-fabricated and are much quicker to deploy compared to traditional construction. They can be made even more cost-efficient by taking advantage of economies of scale through bulk purchasing.
- A dedicated fund to support the delivery of modular housing is requested due to the significant demand for affordable, including supportive, homes. These homes could be used for individuals experiencing homelessness, refugees, households on existing social housing waitlists, seniors, women and families fleeing violence, and those looking for workforce housing.
- Investments in building modular homes, which could be deployed rapidly, would quickly add meaningful employment in the Canadian manufacturing and construction sectors, helping to stimulate the economy.

6. Fund Acquisitions and Renovations/Conversions

- As part of stimulus and expedited recovery efforts, it is recommended that the federal and provincial governments establish a dedicated fund to support acquisitions and renovations/conversions to create new permanent affordable and supportive homes.
- Programs to support acquisitions should be **nimble and flexible to allow the quick purchase** of properties and land that are on the market, and others that may be coming on the market as a result of financial difficulty or bankruptcies (e.g. hotels, motels, rooming houses, apartment buildings, condominiums for conversion to rental, land for permanent or temporary supportive housing etc.) **plus the construction of “shovel ready” projects**.
- Taking a **‘housing as homes’ approach** to an expedited program will increase market rental and affordable housing that meets local needs, rather than speculative investments.
- **Flexibility** should also be provided to account **for rental housing renovations and conversions**, which are often necessary to extend the useful life of older rental properties. Repairs and renovations of rental housing also provides quick and effective economic stimulus and job creation.
- Funding under this program should **be prioritized for projects created by the non-profit and co-op sector** that produce permanent affordable and supportive housing.

7. Provide Operating Funding to Create Supportive Housing

- In addition to capital funding to create new permanent housing opportunities, it is critical that the federal and provincial governments dedicate ongoing operating funding to municipal governments and non-profit housing and service providers to support vulnerable and marginalized people, including seniors, women fleeing violence, those who experience systematic racism including Indigenous, Black and People of Colour, and those experiencing homelessness. This could be done through an enhancement of the existing Reaching Home program and the Ontario Home for Good program.
- Ongoing operating funding is needed by way of subsidies for housing, health and social services programs to help renters achieve and maintain housing stability.

8. Consider Right of First Refusal Authority/ Approach for Strategic Acquisitions

- To provide opportunities for the public sector to work and collaborate with the non-profit and private housing sectors, governments should consider creating mechanisms alongside funding programs that can support the strategic acquisition of property and buildings for affordable housing.
- This could include providing the appropriate authorities, and program restrictions in the case of the public sector, enabling a “first right of refusal” to strategically purchase land and properties to create permanent affordable housing, including surplus federal and provincial owned land and properties. Such measures could at a minimum assist in preventing the loss of existing affordable housing assets threatened through demolition, conversion or sale.

9. Increase Investments in Permanent Affordable Housing

As part of a longer-term recovery approach, governments should dedicate tools and resources to advance the following initiatives:

- a. **Create Affordable Housing Opportunities For Indigenous By Indigenous Peoples and Organizations**
 - Given the overrepresentation of Indigenous individuals who are homeless or in core housing need in urban centres, funding should be allocated to increasing affordable rental and home ownership opportunities for Indigenous Peoples. This would lessen this current vulnerability and promote equity between the housing circumstances of Indigenous households and non-Indigenous households.
 - Investments in affordable housing for Indigenous Peoples would also help reduce discrimination faced in the rental market that precludes access by Indigenous communities and thus contributes to homelessness. Affordable rental homes should also be accompanied by ongoing operating funding to provide for deeply affordable rents.
 - Safe, secure and affordable housing for Indigenous Peoples to be designed, developed, and operated by Indigenous Peoples and Indigenous led-organizations is also a cornerstone of the path to reconciliation and self-determination.

- Partnerships between Indigenous organizations, such as Friendship Centres and experienced non-profit providers can help to expand this capacity – but requires a dedicated funding stream that appropriately reflects the high cost of constructing and purchasing homes in large urban centres.

b. Housing Retrofit Programs

Enabling acquisitions and retrofits can be an effective way to expand housing opportunities to support a Housing First approach (i.e. by moving individuals from the street or emergency shelters into stable and long-term housing, with supports). Low cost renovation, modernization and retrofits of rental and ownership homes can also help seniors age in place, reduce the need for costly long-term care options, and result in lower energy costs and reduced greenhouse gas emissions.

Retrofit and repair program can also be activated quickly to advance these climate and resiliency objectives, create jobs and stimulate economic recovery. These include:

- **Rooming House (Multi-Tenant House) Retrofit and Acquisition** - A significant proportion of low income and formerly homeless individuals live in rooming house (or multi-tenant house) stock often in a poor state of repair. This would be a valuable target for retrofit funding, including initiatives to assist non-profit acquisition and operation of privately-owned rooming house stock. In addition to acquisition and retrofit, it is also necessary to expand supports to enable housing stability for formerly chronically homeless individuals.
- **Social Housing Retrofits (including energy efficiency)** - The National Housing Strategy currently includes a target of retrofitting and preserving 300,000 social housing units. The funding is back-end loaded. Accelerating planned spending can be effective in improving existing housing conditions while immediately creating employment opportunities.
- **Affordable and Market Rental Repair and Energy Retrofits** - A new program to support energy retrofits and the repair and rehabilitation of the existing affordable and market rental stock should be considered. This program should be designed to include the renewal of purpose-built rental towers across Canada, which are home to hundreds of thousands of households with low and moderate incomes. The program should also prioritize: i) grants to landlords that provide deeply affordable rents; and ii) low interest loans for landlords of market rental units that commit to no rent increases beyond guideline increases.
- **Rental and Homeowner Repair, Modernization and Retrofit for Low-Income Seniors** - Ramping up programs that fund home modifications for low-income seniors who are renters and homeowners will support aging in place and reduce ongoing demand for long-term care. Until recently, the federal government played an essential role in the delivery and funding of the Residential Rehabilitation Assistance Program (RRAP) which had existed for more than 50 years. A similar program, with an added energy retrofit component should be considered to increase and protect the supply of good quality, safe, adequate and energy efficient housing for seniors.





10. Increase Supply of Rental Housing through Other Policy and Financial Tools

The Federal and Provincial governments should consider other policy and financial tools to assist municipal governments in scaling up and protecting the supply of affordable housing including but not limited to:

- **Supporting affordable housing through inclusionary zoning** in all areas (not just major transit station areas) to increase affordability and promote equity.
- **Increasing opportunities for the non-profit, co-op and private sectors** to expand delivery of new affordable housing supply.
- **Encourage the development of new purpose-built rental projects that include long-term affordable units.** Maintaining and building a healthy supply of purpose-built rental housing is critical to providing residents with a range of housing choices. Purpose-built rental housing also provides a higher level of security of tenure for renters, compared to renting condominium-owned units.
- Allocating and expediting the flow of resources to **help cities deliver on their longer-term housing and homelessness plans.** For Toronto, the HousingTO 2020-2030 Action Plan provides a range of targets and measures to significantly scale up the supply of affordable housing and increase housing stability for over 331,000 households.

Conclusion

Governments in Canada and around the world are being forced to quickly respond, re-evaluate their priorities and transform the way they operate due to the COVID-19 pandemic. Access to safe, secure, adequate housing is at the centre of municipal governments being able to effectively respond to the health crisis and save lives, manage escalating costs, and plan for recovery.

This Housing & People Action Plan recommends a range of government policies, actions and considerations to assist all orders of government in activating and accelerating housing responses that support people and local communities both during and post-COVID-19.

The focus on permanent affordable housing delivery in this Housing and People Action Plan is a deliberate effort to pivot away from emergency short-term responses. A significant investment now in affordable housing will propel Canada's recovery from the pandemic. It would also help cities to attract and retain key workers needed to grow local economies.

The recommendations provided in this Action Plan however, do not preclude governments from taking other appropriate actions. The cracks in our housing, homelessness, long-term care and income support systems that have been exposed by the pandemic show that systemic and structural changes are urgently needed to support recovery and build resilience. Of central importance is a new partnership model between municipal governments and other orders of government to reflect on the pandemic and address these systemic and structural vulnerabilities.

The federal and provincial governments, going forward, have a generational opportunity to take the necessary actions and make the needed investments to build an equitable housing system that: protect households in times of economic insecurity; maintain and protect the inventory of existing low-income housing; create new homes that are affordable, livable and energy efficient; and also build communities that allow people to thrive. This includes new funding sources and tools for cities to deliver a range of affordable housing options for low-income groups, to enhance access to healthcare through supportive housing, to address social inequities for racialized communities, put an end to chronic homelessness, provide dignity for seniors to age in place, and put people back to work to rebuild our economy.

Let's act now to build a more sustainable and resilient future so that everyone has a home to "stay at home" and be safe in times of need.



