

DEPUTATION

To: **Planning and Housing Committee**
DATE: **Monday, June 15, 2020**
RE: **Housing Now Initiative – Annual Progress Report (PH14.3)**

Thank you for the opportunity to speak with you today on behalf of the Toronto Alliance to End Homelessness (TAEH). My name is Kira Heineck. As you are aware, the TAEH is a collective impact initiative made up of Community Partners focussed on systems changes and housing and support solutions to prevent and end homelessness in Toronto.

As such, we are in support of the recommendations in the report before you today. Our deputation focuses on the opportunities they provide to advance our shared vision of a Toronto where homelessness is rare, brief and non-recurring. It also adds our advice for strengthening Housing Now in key related areas.

First and foremost, Housing Now must make real progress in reducing homelessness in Toronto.

- **One-third of Housing Now's units must be set aside for people currently experiencing homelessness.** The TAEH has consistently called for this commitment. Housing Now can have a lasting and meaningful effect for many of the over 8,000 people homeless today, as well as many of the now over 18,000 people waiting for supportive housing in Toronto. We all know that homelessness will rise even more in the months, and perhaps years, to come after COVID-19.
- **Create as many supportive housing units as possible.** City Council, through Housing TO as well as other motions specific to Housing Now, has committed to building a minimum of 18,000 net new supportive homes in Toronto in the next 10 years.

To this end, we are pleased with enhancements in Phase 2 of Housing Now with its stronger commitment to maximizing deeply affordable and supportive housing, including providing greater consideration to submissions that increase supportive housing opportunities. It is also positive to see increased reference to coordinating housing allowances with support service resources to increase access to supportive housing at Housing Now sites.

Leveraging Housing Now to address homelessness more directly and urgently is even more important now that COVID-19 has significantly reduced the emergency shelter options for people and increased our collective awareness that dormitory-style shelters are not appropriate and dignified places for people to be. As the hotel programs wrap up into 2021 and beyond, Toronto will need more suitable homes for people currently without them.

To meet our goals, we also need increased and sustained investment from both the Provincial government for support services, and the federal government for capital. And, critically, as of today, June 15 2020, all federal and provincial COVID-19 relief funds for

Toronto's homelessness services is over. This means we suddenly have a lot less to work with to keep people housed and that we must be building as many other options as possible, including through Housing Now. It is a huge new pressure on our city's housing needs, and TAEH will also be advocating to the other orders of government to step up their roles too.

The following are 3 priority areas where Housing Now can enhance its alignment to ending homelessness:

1. Increase the city's stock of affordable rental housing;
2. Increase the role for mission-driven, non-profit housing development and ownership;
3. Enhance accountability measures to support Housing Now's vision and goals.

1 - Increase affordable housing stock in Toronto

- **To this end, the TAEH supports a form of rent protection as recommended in PH14.3.** We recognize and agree with the need to mix market and below market units and support and agree with the importance of delivering all the rental units in Housing Now. Our city has an overall shortage of rental units which is wreaking havoc on the system and negatively impacting people with lower incomes.
- **Define affordability based on income and develop programs that ensure new rent levels are achievable and sustainable for people exiting homelessness** and others with low incomes. The value of rent supplements or housing allowances rarely keep up with market level rent increases. Therefore, current and future rent increase policies need to be aligned with the commensurate increases in tenant subsidy through City and Provincial rent subsidy programs.
- **Give greater consideration in the adjudication of proposals/scoring system of proposals that have lower initial rents and no or lower annual above guideline increases.** The report today makes this commitment, which is of course welcomed. As you will read below, we recommend that to ensure its successful implementation a more robust and transparent accountability framework is needed. One that assesses each bid on its ability to keep rent increases to guideline and other affordability measures.
- **Prioritize proposals from non-profit developers and housing providers.** This sector does not need to extract extra profit from Housing Now projects. Therefore, they can create viable bids that maximize affordability on their market units and staying at guideline increases.

2 – An increased role for mission-driven, non-profit housing development and ownership

The TAEH believes strongly that the vision and goals of Housing Now can best be delivered through an enhanced role and increased opportunities for non-profit developers. By nature, non-profit developers and housing providers are able to put all of their profits back into the program and buildings and not have to carve any out for share-holders or investors. They also are motivated by their mission to

maintain unit affordability for perpetuity and put processes in place to maximize the housing stability of their tenants.

It is clear that the Housing Secretariat understands this as well, and we again applaud the improvements made to Phase 2. For example, Recommendation 5 in today's report directs the Housing Secretariat and CreateTO to "explore options to maximize the involvement and participation of non-profit and co-operative housing organizations, including Indigenous groups and communities..." and to "provide greater consideration to submissions from non-profits..."

What is needed now, however, is an articulated and transparent set of processes or policies that establish how Housing Now will actually explore these options and provide greater consideration. TAEH suggests the following next steps:

- **Establish a formal and genuine partnership with non-profit housing developers.** Let's start sooner rather than later to define and launch a dedicated stewardship role inside the Housing Secretariat to work with the non-profit sector. The *TAEH's Housing Development Working Group* tabled this recommendation in 2019 after much discussion with both city and community representatives on the barriers to building supportive housing in Toronto. This role can advance non-profit and supportive housing throughout Housing Now and other housing developments, and build a risk management strategy with the sector so that it can do more.
- **Set the vision and terms for the Non-Profit Capacity Building Fund** and start using it, working with umbrella leaders such as the TAEH, Co-op Housing federations and Indigenous housing developers to do so.
- **Become even more aware of what the non-profit sector has to offer** including billions of dollars in assets, rent supplement monies and particular skills in supportive housing and community building. These are organizations who are intent on housing the most vulnerable in our City including those who have been experiencing chronic and episodic homelessness.
- **Give bonus points to development bids from the non-profit sector**, to those that add to Toronto's affordable housing stock and to bids from for-profit developers that meaningfully partner with non-profits. Put mechanisms in place that allow for non-profit ownership of their part of any development shared with a for-profit developer.

3 – Enhanced accountability measures to support Housing Now's vision and goals

The promise in the Housing Now Annual Progress Report for an increased consideration of, support for, and acknowledgement of the value non-profit development brings to achieving its goals needs clear implementation mechanisms and accountability measures to ensure its fulfillment.

The TAEH is optimistic that this is possible and is interested in working with the Housing Secretariat to contribute our collective knowledge and expertise in following next steps such as:

- **Develop a transparent set of weighted criteria that advance Council’s vision and commitments.** By this we mean that the call for proposals for future Housing Now sites can more strongly and clearly tie the goals of Housing Now to the criteria on which bids will be assessed.

Housing Now was introduced by the Mayor, and overwhelmingly supported and improved with over 19 amendments at Council’s January 2019 meeting that advanced the good this program can do for those at Toronto’s lower-income ranges and people experiencing or at risk of homelessness.

This Committee, Council and the Mayor want Housing Now to create a significant amount of new affordable housing in Toronto, along with helping to reach its commitment to 18,000 supportive housing units and to a city where homelessness becomes rare, brief and non-recurring.

- **Give higher, or bonus, points to proposal that commit to housing stability and greater affordability.** This could include bids that:
 - Have more affordable and deeply affordable rental units;
 - that deliver more supportive housing;
 - are prepared to stick to guideline rent increases only;
 - are owned by non-profits, co-ops and Indigenous housing developers.

CONCLUSION

Committee members will note that our position here today is consistent with our previous submissions on Phase 2 of the Housing Now Initiative (CC21.3 – May 27, 2020) and on the City’s supportive housing strategy update (PH13.5 – February 12, 2020). We come at this from the goal of maximizing the number of homes that will be realistically accessible to people currently experiencing homelessness – we believe that committing one-third of Housing Now units to this population is necessary.

We would be remiss in closing if we didn’t also stress the good work done in Phase 1 to date. Highlights in the report include increased yields on affordable housing units and significant movement in expediting things through planning and other City departments. We also strongly support the vision and commitments to enhancing accessibility and universal design in Housing Now developments.

Housing Now is a needed and valuable opportunity to increase the supply of affordable and supportive housing in Toronto. It is a great start thanks to the leadership of Mayor Tory, Deputy Mayor Bailão and this Committee. The TAEH looks forward to continuing to work with the Housing Secretariat, SSHA and others to make it as successful as possible.

Thank you,

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