

## **HousingTO 2020-2030 Action Plan - 2021 Annual Progress Update**

**Date:** November 10, 2021

**To:** Planning and Housing Committee

**From:** Executive Director, Housing secretariat

**Wards:** All

### **SUMMARY**

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This report provides an overview of the progress made since late 2020 and over 2021 in implementing the HousingTO 2020-2030 Action Plan ("HousingTO Plan"). It also outlines some key priority areas that the City of Toronto will focus on in 2022.

Over the past year, the City of Toronto and its partners across various sectors have made significant progress advancing the HousingTO Plan, while at the same time, continuing to manage COVID-19 related challenges. Although the COVID-19 pandemic has affected everyone, its impacts on residents across Toronto have not been equal. As seen over the past two years, the pandemic has revealed and deepened inequities for people based on their socio-economic status, age, health status, race and ethnicity, employment status, and housing situation.

In an effort to address some of the inequities which have been emphasized through the pandemic, the City's actions over the past year have focused on prioritizing housing investments through an equity and climate resilience lens, with specific focus on priority groups who have borne the brunt of the pandemic including people experiencing homelessness, seniors, those living in poverty, Indigenous Peoples, Black and other racialized residents, renters, women and members of the 2SLGBTQ+ community. And, while there is still a lot to be done, with the help of other orders of government, community partners, health partners, business leaders, academic sector partners, housing advocates and residents across Toronto, we have made great strides together.

During the past year, a total of 120 homes with support services dedicated to women experiencing homelessness were opened at 389 Church Street; the first two modular supportive housing buildings with a total of 100 units were opened within nine months of first approval by the City Council for people experiencing homelessness; and, with federal and provincial support, great progress was made on advancing the 24-Month COVID-19 Housing and Homelessness Response Plan which will create almost 1,500

new permanent supportive homes for people experiencing homelessness before the end of 2022.

Other key accomplishments in 2021 include City Council's approval of: an Inclusionary Zoning policy; new definitions of affordable housing which will be based on incomes to better support low-and-moderate-income residents; a plan co-developed with Indigenous partners to approve 5,200 new affordable and supportive homes 'for Indigenous by Indigenous' by 2030 with federal and provincial support; a new Multi-Unit Residential Acquisitions program to support non-profit and public acquisition of market properties to create permanently affordable housing; actions and investments to improve conditions for renters through the RentSafeTO Program; and enhancements to the Concept 2 Keys program to expedite the development review of affordable housing applications.

Strong progress was also made on advancing the Housing Now Initiative with four new sites added to the program, bringing the total number of City-owned sites dedicated to creating new mixed-income, mixed-use, and complete communities to 21. In addition, seven of these sites have progressed through the re-zoning process, three of which have development partners selected with construction estimated to begin by early-to-mid-2022. To date, the City has committed over \$1.3 billion in City land, financial incentives, and staffing resources to the Housing Now Initiative, making it possible for the City to achieve over 50% of its overall ten-year 10,000 affordable homes approval target through this program in less than three years.

While 2021 has seen unprecedented progress in terms of ramping up the supply of new affordable and supportive homes and increasing housing affordability for residents, there is much more to be done - and the City and partners are well-positioned to deliver even more in 2022.

As all orders of government move towards a post-pandemic recovery, accelerated and enhanced investments in housing will not only help to address long-standing systemic and structural inequities which have impacted the housing, health and socio-economic outcomes of equity-deserving groups, they will also help increase the resilience of health, housing and homelessness systems. In addition, these investments will create employment opportunities to boost our economic recovery and support climate resilience efforts helping us to 'build back better'.

This report was prepared by the Housing Secretariat with input from various City divisions and agencies including: Strategic Communications, Concept 2 Keys, City Planning, the City Manager's Office, Corporate Finance, Corporate Services Transformation Team, Corporate Real Estate Management, CreateTO, Environment & Energy, Financial Planning, the Indigenous Affairs Office, the Office of Strategic Partnerships, Legal Services, Municipal Licensing and Standards, Revenue Services, Seniors Services and Long-Term Care, Shelter, Support and Housing Administration, Social Development and Finance Administration, Toronto Building, Toronto Community Housing Corporation, Toronto Employment and Social Services, and Toronto Water.

## RECOMMENDATIONS

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The Executive Director, Housing Secretariat recommends that:

1. The Planning and Housing Committee receive this report for information.

## FINANCIAL IMPACT

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### **Cost to deliver the HousingTO Plan**

Successful implementation of the HousingTO Plan is expected to cost all three orders of government approximately \$27.7 billion (increased from an original estimate of \$23.4 billion).

The breakdown of required investments and commitments to-date are as follows:

- City investments of approximately \$11.5 billion (approximately \$7.1 billion committed to-date);
- Federal investments of approximately \$8.6 billion (approximately \$2.1 billion committed to-date); and
- Provincial investments of approximately \$7.6 billion (approximately \$600 million committed to-date).

Achieving the overall targets in the HousingTO Plan will require continued contributions in existing programs as well as new and enhanced investments from all orders of government. Contributions and participation from the non-profit and private sectors will also be necessary to achieve the targets.

### **Overview of Investments Secured to-Date towards HousingTO Plan Targets**

#### ***Key City Commitments***

- \$2.3 billion in capital funding, land value and value of financial incentives towards approval of 20,000 affordable and supportive homes.
- \$1.6 billion in capital funding (\$160 million annually) and annual operating funding (\$251 million 2021 with an inflationary cost factor increase each year) towards sustaining the Toronto Community Housing Corporation through the implementation of the Tenants First permanent funding model starting in 2020.
- \$650 million in the value of land transfer tax rebates for first time home buyers (approved in 2020 ongoing for 10-years).
- \$83.1 million in funding for the redevelopment of Carefree Lodge, including addition of new beds (approved in 2020).

#### ***Key Federal Commitments***

- \$353.7 million in capital funding towards approval of 20,000 affordable and supportive homes.

- \$1.34 billion towards capital repair program of TCHC homes.
- \$11.75 million low interest loan and almost \$1.76 million grant to support [retrofits in apartment towers](#) (through Federation of Canadian Municipalities).
- \$9.71 million in a loan and a grant of up to \$4.86 million to support [retrofits in single family homes](#) (through Federation of Canadian Municipalities).
- \$124.4 million in Reaching Home funding (2019-2024).

### ***Key Provincial Commitments***

- \$15.4 million in operating funding towards approval of 2,000 supportive home created in 2021/22.
- \$92.9 million in funding for the redevelopment of Carefree Lodge, including addition of new beds (approved in 2020).
- \$73.4 million through Home for Good Program (2020-23).
- \$352.9 million through Community Homelessness Prevention Initiative (2020-23).

### ***Key Joint Federal and Provincial Investments***

- \$133.5 million through the Canada-Ontario Community Housing Initiative (2020-23).
- \$39.5 million in Canada-Ontario Housing Benefit (ongoing starting in 2020 until 2023).
- \$62.1 million in Ontario Priorities Housing Initiative (2020-23).

### ***Other Emergency Funding Received from Federal and Provincial Governments***

While not directly contributing to delivery of the HousingTO Plan, it should be noted that the City has also received funding through the following programs which have helped support marginalized residents during the pandemic:

- Approximately \$82.3 million in emergency funding for the COVID-19 response in 2021 for people experiencing homelessness through the Reaching Home Program; and,
- Approximately \$406 million through Social Services Relief Fund, Ontario Isolation Centres Initiative, and the Mental Health Site Programs over the past two years supporting the City's COVID-19 response to homelessness.

The Chief Financial Officer has been provided with the financial impacts associated with this report.

## **EQUITY IMPACT STATEMENT**

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The HousingTO Plan envisions a city in which all residents have equal opportunity to develop to their full potential. It is centred on a human rights-based approach to housing which recognizes that housing is essential to the inherent dignity and well-being of a person and to building healthy, inclusive and sustainable communities.

The HousingTO Plan seeks to address the housing needs of over 340,000 low-and-moderate income households by 2030, including those from equity-deserving groups such as Indigenous Peoples, Black and other racialized residents, seniors, women, and members of the 2SLGBTQ+ community. The HousingTO Plan ultimately seeks to end chronic homelessness and address housing inequity and instability.

Good quality, safe, adequate and affordable housing is an important determinant of health and can improve the social and economic status of an individual. Good quality, affordable housing is also a cornerstone of vibrant, healthy neighbourhoods and supports the environmental and economic health of the city, region, and country as a whole.

## DECISION HISTORY

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At its meeting of December 16, 17, and 18 2020, City Council adopted Item No. PH19.11, "Emergency Housing Action" which included the City's 24-month COVID-19 Housing and Homelessness Response Plan to create 3,000 new permanent affordable and supportive housing units, and directed staff to expedite the delivery of 670 housing opportunities over an 8 to 12 week period. It also reiterated various requests of other orders of government to improve program delivery and ensure the success of new residents of these homes.

<https://www.toronto.ca/legdocs/mmis/2020/cc/bgrd/backgroundfile-159533.pdf>

At its meeting of September 30 and October 1, 2020, City Council adopted, with amendments, Item No. PH16.8, "Addressing Housing and Homelessness in Toronto through Intergovernmental Partnership" which described needed investments from both the Provincial and Federal governments. The report also outlined the City's 24-Month COVID-19 Housing and Homelessness Recovery Response Plan aimed at providing dignified, stable permanent housing options for 3,000 people experiencing chronic homelessness within the shelter system, with the support of the Federal and Provincial governments.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH16.8>

At its meeting of September 22, 2020, the Planning and Housing Committee adopted, with amendments, Item No. PH16.5, "Improving Outcomes for Toronto Residents through Implementation of HousingTO 2020-2030" as the accountability framework to monitor the City's progress towards delivering on the actions identified in the HousingTO 2020-2030 Action Plan over the next ten years.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH16.5>

At its meeting of December 17 and 18, 2019, City Council adopted, with amendments, report PH11.5 – HousingTO 2020-2030 Action Plan and its recommended actions as a strategic framework to guide the City's efforts on housing and homelessness needs over the next 10 years and directed the City Manager to establish the role or function of Housing Commissioner in 2020 in consultation with human rights experts and other groups and individuals with an interest in the establishment of the position.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH11.5>

## COMMENTS

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### **A New Delivery Framework to Oversee the Implementation of the HousingTO Plan**

In 2021, the City's Senior Leadership Team confirmed the Housing Secretariat as the City's housing lead, and also re-affirmed the Housing Secretariat's primary mandate of overseeing and supporting the delivery of the HousingTO Plan.

This decision will consolidate housing accountabilities, responsibilities, and functions within the Housing Secretariat, including social housing; affordable rental housing, supportive housing; market rental housing; and affordable home ownership. The Housing Secretariat's enhanced mandate also includes developing systems-wide policy for the entire housing continuum ranging from homelessness to home ownership.

The consolidation of housing functions is a strategic shift in how the City of Toronto plans and delivers housing and homelessness services. The decision to streamline and consolidate housing functions was based on direction from Council through adoption of the HousingTO Plan in December 2019. This direction was also investigated and validated through a comprehensive review of the City's internal housing system.

This strategic shift was furthered strengthened by City Council's direction in December 2020 to pivot investments from costly emergency responses to more sustainable long-term solutions to the homelessness through the provision of permanent affordable and supportive housing.

With these changes, the City will be better positioned and resourced to improve service delivery for residents and ultimately, help improve the housing, health and socio-economic outcomes for residents across Toronto.

### **Progress Made over late-2020 and 2021 - Key Highlights**

Since the fall of 2020, the City and its partners have:

- Pivoted from costly emergency responses to homelessness to more sustainable permanent housing solutions aligned with the City's commitment to the progressive realization of the right to adequate housing.
- Opened 120 homes with support services dedicated to women experiencing homelessness at 389 Church Street.
- Opened the first two modular supportive housing buildings within nine months of first approval by the City Council for 100 people experiencing homelessness, and worked with the Toronto Alliance to End Homelessness and its members to help inform the supportive housing operating and financial model for these sites.
- Made significant progress on delivering the 24-month COVID-19 Housing and Homelessness Response Plan through the federal Rapid Housing Initiative which

will help create a minimum of 860 new permanent supportive homes for people experiencing homelessness by end of 2022.

- Partnered with Toronto Community Housing Corporation to create 450 supportive housing opportunities for people experiencing homelessness using vacant rent-geared-to-income apartments and layering on support services secured through the province.
- Entered into a partnership with United Property Resource Corporation to unlock the value of their real estate assets and help create 500 affordable homes over the next five to seven years.
- Developed a Memorandum of Understanding with Miziwe Biik Development Corporation to establish them as the main intermediary between the City and Indigenous housing providers to support the creation of 5,200 new affordable rental and supportive homes "for Indigenous by Indigenous" across the city.
- Supported renters by establishing a permanent Tenant Advisory Committee on the Protection of Affordable Rental Housing; launched a new renter hub on the City's website ([www.toronto.ca/renterhelp](http://www.toronto.ca/renterhelp)), and created the City's first Eviction Prevention Handbook. The Handbook was tested with input of tenants and stakeholders and outlines tenant rights, types of evictions, tenant support resources and where to go for help.
- Advanced a new affordable housing definition linked to the income of low-and-moderate-income renters which will help to attract and retain key workers in our city.
- Established a new Multi-Unit Residential Acquisition program aimed at protecting the existing supply of rental homes by removing market rental buildings from the speculative market and securing them as permanently affordable housing.
- Advanced the Concept 2 Keys pilot demonstrating success with expediting and prioritizing affordable housing projects.
- Made strong progress on advancing the Housing Now Initiative with development partners selected for the first three sites plus a commitment of over \$1.3 billion in land, financial incentives, and staffing resources making it possible for the City to achieve over 50% of its ten-year 10,000 affordable homes approval target in less than three years.

## **Priorities for 2022 - Key Highlights**

As the city, province and country move towards recovery from the global pandemic, it is more important than ever to acknowledge the importance of affordable housing in driving economic prosperity while also creating sustainable, inclusive and equitable communities. Investments in affordable housing generate a return on investment that, in both the short and long term, will positively impact the vitality, livability, and the health of Toronto, Ontario and Canada.

### **1) Increase the supply of people-focused supportive housing**

While providing homelessness services remains a top priority for those experiencing homelessness, the solution to ending chronic homelessness is creating more deeply affordable homes with individualized, wraparound support services. Besides improving housing, health and socio-economic outcomes for people, investments in permanent supportive housing results in significant cost saving to the public sector through reduced

use of hospitals, emergency services and the justice system. Since the beginning of the pandemic, the City, in partnership with the federal and provincial governments, has added approximately 1,500 much-needed permanent affordable homes with support services for people experiencing homelessness. In collaboration with non-profit sector partners, the City has also been working to develop and implement new technology tools and processes to effectively and efficiently identify, prioritize, locate, match and refer people experiencing homelessness with City-funded housing and support opportunities.

In 2022, the City will continue to advocate for additional funding from the federal and provincial governments to deliver at least 517 more supportive homes to meet the over 2,000 supportive homes target in the [COVID-19 Housing & Homelessness Recovery Plan](#). In addition, approximately \$48 million in operating funding annually and ongoing is needed from the province to provide support services for 2,000 supportive homes proposed to be created in 2021 and 2022.

Additional funding to ramp up the supply of supportive housing beyond 2022 is also urgently needed to address the city's increasingly challenging homelessness situation. This includes one-time capital funding plus a long-term commitment for operating funding to provide a range of wrap-around services onsite to help residents achieve and maintain housing stability. These services include but are not limited to: rent supports to deepen affordability; mental health supports and case management; access to primary care; and harm reduction services.

## **2) Scale up the supply of purpose-built affordable rental homes**

In 2022, the City will continue to focus on increasing the supply of good quality, adequate and affordable homes through a number of priority actions including:

- Continuing to incentivize the development of affordable rental homes on land owned by the non-profit and private sectors through the Open Door program.
- Advancing 21 Housing Now sites that are expected to deliver approximately 11,200 rental homes including approximately 5,600 affordable rental homes, and creating a pipeline of future sites in early pre-development stages.
- Supporting the revitalization of Toronto Community Housing communities.
- Implementing the Vacant Home Tax, which aims to make vacant homes available in the housing market either by renting or selling, to improve both availability and affordability of housing supply.
- Implementing Inclusionary Zoning in Minister-approved Protected Major Transit Station Areas.
- Completing detailed financial impact analyses of the new income-based definition of affordable housing on City programs such as Housing Now and Open Door, in consultation with housing organizations, and recommending program changes and/or other mitigation strategies to address the impact on the new affordable housing definition.



### **3) Support equity-deserving groups and climate resilience**

In 2022, the City will take a number of actions to further promote equity, inclusion and climate resilience. Some of these of key actions include:

- Advancing reconciliation efforts with Indigenous Peoples through development of the City's Reconciliation Action Plan, and the Tkaronto Prosperity Plan in partnership with Indigenous communities and organizations.
- Continuing to prioritize the creation of 5,200 affordable homes for Indigenous by Indigenous in 2022 and beyond in partnership with Miziwe Biik Development Corporation.
- Establishing a working group with Black and Black-serving organizations to develop a set aside of new affordable and supportive homes for Black residents, and support Black-led affordable housing projects.
- Increasing affordable housing opportunities for women and girls in collaboration with the Violence Against Women sector and other women-serving organizations.
- Continuing to work with the Accessible Housing Working Group, comprised of accessibility advocates and people with lived experience to assess adequacy of accessibility requirements in the City's current programs
- Using an equity lens, advance work to develop a new "one door" approach through an online portal where residents can search and apply for affordable housing vacancies across the city.
- Continuing to leverage City resources and programs to support the climate resilience efforts including retrofitting of existing residential buildings, including Toronto Community Housing buildings.
- Implementing Toronto Green Standards Version 4 in new affordable rental housing development projects, and work to secure additional investments from the federal and provincial governments to support these projects.

### **4) Continue to help renters**

Due to the pandemic, the provincial government made a number of legislative changes in 2020 aimed at protecting tenants and strengthening community housing including modifying a number of dispute resolution processes around evictions, and prohibiting rent increases between January 1, 2021 and December 31, 2021.

With the lifting of the rent freeze starting January 1, 2022, and winding down of income assistance programs from federal and provincial governments, it is critical to ensure that appropriate supports are in place for tenants. As the Housing Secretariat division continues to be transformed in 2022, housing functions and resources will be centralized to improve coordination and maximize outcomes for people experiencing homelessness and tenants. This includes:

- Using portable housing benefits through the Canada-Ontario Housing Benefit program to help move people out of homelessness and off the social housing waitlist;
- Raising awareness about tenants' rights and assisting renters facing illegitimate evictions or above guidelines rent increases;
- Preventing potential loss of existing rental housing such as rooming houses at risk of being lost to the speculative market;

- Ensuring a fair and transparent process for tenancing new affordable rental homes; and
- Bringing more buildings to a state of good repair through coordination of repair and retrofit funding programs, along with compliance monitoring and enforcement approaches.

## **5) Develop the City’s first Housing Data Strategy**

It is important for the City to consistently monitor and assess how public investments in the HousingTO Plan are helping to improve the health of Toronto’s residents, the environment and the housing system. This includes the impact of increasing the supply of new, energy-efficient affordable housing for low-and-moderate-income residents including people experiencing homelessness and those from equity-deserving communities.

Consistent tracking and reporting on progress also helps strengthen accountability to Council, other orders of government, and the public to ensure that housing investments appropriately address the evolving housing, health and socio-economic needs of residents. Building on the framework developed in 2021, the Housing Data Strategy will be developed in multiple stages with the objective of providing data and evidence to guide decision-making and investments, supporting Housing Secretariat division in delivering its mandate, and ultimately, helping improve housing service delivery and outcomes for Toronto residents. Key focus areas of 2022 will include:

- Eviction data and trends;
- City of Toronto Data Book;
- Housing Data Strategy; and
- Affordable and supportive housing development tracking and reporting.

## **6) Continued Focus on Cross-Sector Partnerships**

The housing system is dynamic and complex with interdependencies across many areas including housing availability, homelessness, economic development and wealth inequality. Innovative solutions, based on collaboration and strong partnerships across sectors and systems, are needed to create a healthy housing system and to address the multi-faceted challenges within the system. This includes partnerships with other orders of government, broader public sector institutions, health care partners, non-profit and Indigenous organizations, business leaders and the academic sector.

In 2022, the City will also continue to work with a wide range of partners and across various sectors in the planning and delivery of a range housing solutions. This collaborative, systems-level approach is essential for Toronto to appropriately respond to current and future housing needs, and remain an inclusive, global city where everyone has equal opportunity.

## **Intergovernmental Action and Collaboration**

The pre-existing gaps in our housing and homelessness systems, which have been exposed by the COVID-19 pandemic, have made it clear that governments need to

continue to take urgent and tangible action to assist low-and-moderate-income households, including people experiencing homelessness and renters living in core housing need.

Over the past year, significant progress has been made to advance the targets in the HousingTO Plan. With the support from the federal and provincial governments, the City has accelerated delivery of new affordable and supportive homes, provided more support for low-income renters, and advanced reconciliation with Indigenous communities. However, in order to help expedite recovery from the COVID-19 pandemic and to meet the targets in the HousingTO Plan, new and enhanced investments are urgently needed to help people both find and maintain safe, adequate and affordable homes. This includes capital funding to create new housing supply; ongoing operating funding (for wraparound health, social and housing supports) to create supportive housing opportunities; rent supports for households living in unaffordable housing and at risk of evictions; and funding for retrofit programs to improve the quality of existing homes.

Investments in housing will support the shared objectives of all governments including eliminating chronic homelessness; increasing housing stability; and creating more equitable, inclusive and vibrant communities where all residents have equal access to succeed. As mentioned earlier, accelerated and enhanced investments in housing will also help address long-standing systemic and structural inequities which have impacted the housing, health and socio-economic outcomes of equity-deserving groups, and increase the resilience of health, housing and homelessness systems.

## **CONTACT**

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## **SIGNATURE**

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## **ATTACHMENTS**

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Attachment 1- HousingTO 2020-2030 Action Plan: 2020–2021 Progress Update