

## Intergovernmental Partnerships and Advocacy Efforts to Advance the City's HousingTO 2020-2030 Action Plan

**Date:** April 20, 2022

**To:** Executive Committee

**From:** Executive Director, Housing Secretariat and General Manager, Shelter, Support and Housing Administration

**Wards:** All

### SUMMARY

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Since early 2020 to March 2022, the City of Toronto and its partners across various sectors have made significant progress advancing the [HousingTO 2020-2030 Action Plan](#) (HousingTO Plan), while at the same time, continuing to manage COVID-19 related challenges. This includes moving over 10,000 people previously experiencing homelessness into permanent housing (including private rental, supportive, and rent-geared-to income housing); opening approximately 770 new supportive homes; and expanding renter support programs such as the Eviction Prevention in the Community (EPIC), Rent Bank and housing benefit programs.

Additionally, in large part due to the federal Rapid Housing Initiative, plus City capital and financial incentives and the Canada-Ontario Housing Benefit, the City is on track to exceed the targets in the [24-Month COVID-19 Housing and Homelessness Response Plan](#) (24-Month Plan). The 24-Month Plan, which aimed to expedite delivery of the HousingTO Plan as an urgent response to the ongoing COVID-19 pandemic, requested federal and provincial investments to deliver 2,000 new supportive and 1,000 affordable homes by end of 2022. In addition to the new homes mentioned above, there are over 17,000 other affordable rental and supportive homes in the City's development pipeline.

Maintaining our homelessness services, and concurrently creating new supportive housing opportunities for people experiencing homelessness are key priorities for the City of Toronto. For 2022, the City requested \$288 million in COVID-19 related emergency operating funding for shelters (part of \$1.4 billion in COVID-19 pressures included in the 2022 Operating Budget) plus \$27 million in one-time operating funding for supportive housing from the federal and provincial governments. As reported to City Council (Item [MM42.33](#)), as of April 2022, the remaining COVID-19 funding shortfall for shelters was estimated at \$248 million; the \$27 million in supportive housing requested from the province also remains outstanding (\$275 million in total).

The Province recently announced that, in partnership with the federal government, it will allocate a combined \$127 million through a fifth round of the Social Services Relief Fund (SSRF) province-wide. While the City awaits further details on its allocation amount and how it can be used, additional funding commitments will be required to manage the 2022 operating pressures. An ongoing commitment of \$48 million per year (beginning in 2023) for the 2,000 supportive housing opportunities created through the 24-Month Plan is also needed.

On November 9, 2021, through Item [EC25.5](#), City Council directed staff to report back with an estimated breakdown of the costs necessary to ensure everyone living in shelters, including hotels as well as 24-hour respite sites could receive a one-year rental subsidy to enable independent living, and cost analysis for additional funding needed for housing supports for individuals who are unable to live independently, affirming housing as a human right and providing a housing-first approach to end homelessness.

On November 25, 2021, through Item [PH29.6](#), staff were directed to develop a broad public educational and advocacy campaign, in consultation with interested Councillors, on the funding needed from the Federal and Provincial governments required to end homelessness and to meet the targets and timelines in the HousingTO Plan.

This report responds to Council's requests. It also highlights that although access to a deeply affordable home/rent subsidy will help some people exit homelessness, an estimated 47% of people (4,508 individuals) using Toronto's shelter system are chronically homeless, and also need access to a range of wraparound health and social services. These supports are necessary to help them achieve and maintain housing stability, and improve their health and socio-economic outcomes long term.

Recognizing that the lack of available rental supply in the city has also made it challenging to secure housing to move people out of homelessness, it is vital that all orders of government invest in creating new housing supply. To increase the supply of new rental homes and support the overall delivery of the HousingTO Plan, this report recommends that City Council re-iterate its request the Province of Ontario and the Government of Canada to commit to funding the HousingTO Plan, in part by allocating the funds collected (from Toronto) through the Non-resident Speculation Tax and the Underused Housing Tax, respectively, to the City of Toronto to create new affordable and supportive housing. The funds collected through these tools, which are designed to reduce "unaffordability" and lack of supply brought on by market speculation, could be used to support public and non-profit housing acquisitions and development projects, and increase the supply of permanently affordable and supportive homes across Toronto. Additional funding tools and programs will be required from all orders of government to fully fund the HousingTO Plan by 2030.

Additionally, this report recommends that Council re-iterate its previous requests to the Province of Ontario to revise social assistance rates, based on data and evidence including housing market conditions and increases to the overall cost of living. This change is urgently needed to prevent more households from falling into deep poverty, housing precarity or homelessness.

The report also recommends that City Council request the Province of Ontario to adjust the social assistance rent scales for those Torontonians living in social housing who are in receipt of Ontario Works (OW) or Ontario Disability Support Program (ODSP) supports, and make them equal to the rent scales applied for OW/ODSP recipients who live in private rental housing. Equalizing the rent scales for OW/ODSP recipients would allow the City to direct the \$80 million it currently spends each year shoring up the provincial benefit programs, to the City's own housing priorities.

Homelessness is a complex systemic problem that cannot be solved by any one organization or sector, and therefore, requires integrated system responses. Addressing the converging homelessness and opioid challenges in Toronto will require new and enhanced investments in housing and healthcare by all orders of government. It will also require strong coordination with community health and hospital partners, Indigenous organizations and non-profit and private sector housing organizations.

## **RECOMMENDATIONS**

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The Executive Director, Housing Secretariat and General Manager, Shelter, Support and Housing Administration recommend that:

1. City Council request that the Province of Ontario and the Government of Canada support the City's 2023-2024 Housing Recovery and Resilience Plan outlined in this report, to deliver 4,000 additional affordable rental and supportive homes by end of 2024, composed of:
  - a) 2,500 supportive housing opportunities through acquisitions, modular housing, re-purposing existing stock and investments in operating costs for support services; and
  - b) 1,500 affordable housing through housing benefits (including the Canada-Ontario Housing Benefit).
2. City Council re-iterate its requests to the Province of Ontario and the Government of Canada to fully fund the amount needed, as outlined in the 2022 Operating Budget, to address COVID-19 related financial impacts including in shelters and to provide support services for people moving out of homelessness to permanent housing.
3. City Council re-iterate its requests to the Province of Ontario to provide \$7 billion in outstanding capital and operating funding by 2030, to support delivery of the HousingTO 2020-2030 Action Plan, and allocate funds collected from Toronto through the Non-resident Speculation Tax, to the City of Toronto as one funding tool to help partially fund this outstanding commitment.
4. City Council re-iterate its requests to the Government of Canada to provide \$6.5 billion in outstanding capital and operating funding by 2030, to support delivery of the HousingTO 2020-2030 Action Plan, and to allocate funds collected from Toronto through the Underused Housing Tax, to the City of Toronto as one funding tool to help partially fund this outstanding commitment.

5. City Council re-iterate its request to the Province of Ontario to address the adequacy and structure of social assistance by implementing a new standard flat rate structure for both the Ontario Works and Ontario Disability Support Program that:

- a) uses a data-informed and evidence-based approach to annual social assistance rate increases, equalizes the benefit rate across the Ontario Works and Ontario Disability Support Program, and better supports recipients to meet their basic needs, including the cost of housing; and
- b) equalizes the Ontario Works and Ontario Disability Support Program rent scales paid to Torontonians living in social housing with the housing benefit paid to Ontario Works and Ontario Disability Support Program recipients living in private market rentals.

## **FINANCIAL IMPACT**

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There are no financial implications arising from the recommendations in this report.

However, this report recognizes that there is an outstanding commitment required from the federal and provincial governments to fully address COVID-19 pressures and supportive housing requests as outlined in the 2022 Operating Budget. This funding is urgently needed for the City to be able to maintain existing homelessness services, and concurrently create new supportive housing opportunities to move people experiencing homelessness into permanent supportive housing.

The Chief Financial Officer and Treasurer has reviewed and agrees with the Financial Impact Statement.

## **IMPACT STATEMENT**

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The HousingTO 2020-2030 Action Plan ("HousingTO Plan") envisions a city in which all residents have equal opportunity to develop to their full potential, and is centred on a human rights-based approach to housing. This approach recognizes that housing is essential to the inherent dignity and well-being of a person and to building inclusive, healthy, sustainable and liveable communities.

A key objective of the HousingTO Plan is to increase the supply of permanent affordable rental and supportive housing to help our most vulnerable and marginalized residents, including Indigenous Peoples, Black and other racialized people, seniors, women, 2SLGBTQIA+ persons, and those from other equity-deserving groups, live in dignified housing with appropriate supports.

Access to good quality, safe, affordable housing is an important determinant of health and also improves the social and economic status of an individual. In addition, good quality, affordable housing is 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 November 25, 2021, the Planning and Housing Committee adopted, with amendments, PH29.6, "HousingTO 2020-2030 Action Plan - 2021 Annual Progress Update" which provided an overview of the progress made since late 2020 and over 2021 in implementing the HousingTO 2020-2030 Action and outlined some key priority areas that the City of Toronto will focus on in 2022. The Planning and Housing committee decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PH29.6>

At its meeting of November 9, 10, and 12, 2021, City Council adopted, with amendments, EC25.5, "Results of the 2021 Street Needs Assessment and Shelter, Support and Housing Administration's Homelessness Solutions Service Plan", and directed the City Manager, in consultation with the General Manager, Shelter, Support and Housing Administration, to report back to the January 26, 2022 meeting of the Executive Committee with an estimated breakdown of the costs necessary to ensure that everyone living in shelters, hotel shelters and 24-hour respite centres could receive a one-year rental subsidy to enable independent living and a cost analysis for additional funding needed for housing supports for individuals who are unable to live independently, affirming housing as a human right and providing a housing-first approach to end homelessness. The City Council decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EC25.5>

At its meeting of May 5, 2021, City Council adopted Item No. EC21.2 "Ontario's Social Assistance and Employment Service System Transformation Plans" which requested the Province of Ontario to address the adequacy and structure of social assistance by implementing a new and modernized rate structure that uses an evidence-based approach to annual social assistance rate increases. The City Council decision can be found at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EC21.2>

At its meeting of December 16, 17, and 18, 2020, City Council adopted Item No. PH19.11, "Emergency Housing Action" which directed staff to expedite the delivery of 670 supportive 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. The City Council decision can be found at: <https://www.toronto.ca/legdocs/mmis/2020/cc/bgrd/backgroundfile-159533.pdf>

At its meeting of October 27-30 2020, City Council adopted Item No. PH17.3, "Taking Action to Increase Affordable and Supportive Housing Opportunities", which included an update on actions taken to-date by staff to proactively prepare to take advantage of the federal Rapid Housing Initiative. The City Council decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH17.3>

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 COVID-19 Interim Shelter Recovery Strategy and 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. The City Council decision can be found at:

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

At its meeting of December 17-18, 2019 City Council adopted Items No. PH11.5 "HousingTO 2020-2030 Action Plan" as the framework to address Toronto's housing and homelessness challenges by 2030. This Plan includes a number of actions and targets to address critical needs across the housing spectrum including emergency shelters and transitional housing, social and supportive housing, market and affordable rental housing and home ownership. The City Council decision can be found at:

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

At its meeting of December 5, 2017, City Council adopted Item No. CD24.8 "Support for Proposed Welfare Program" report, which supported the suite of changes recommended in the provincial report titled "Income Security: A Roadmap for Change" including increasing Ontario Works and Ontario Disability Support Program rates by 22 and 15 percent respectively, moving to a Standard Flat Rate structure, and eliminating the rent scales currently used for those receiving social assistance. The City Council decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD24.8>

At its meeting of July 12, 2016, City Council adopted with amendments Item No. EX16.11 "Tenants First - A Way Forward for Toronto Community Housing and Social Housing in Toronto" which requested the Government of Ontario to adjust utility scales and social assistance rent scales for those Torontonians living in social housing who are in receipt of Ontario Works or Ontario Disability Support Program supports. The City Council decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.11>

## **COMMENTS**

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### **HousingTO Plan**

The HousingTO Plan sets out 13 key strategic directions and 76 actions to assist over 340,000 households and guide housing investments by all three orders of government away from costly emergency measures to sustainable long-term housing solutions.

Successful implementation of the HousingTO Plan is expected to cost all three orders of government approximately \$27.7 billion. The breakdown of required investments and commitments, as of end of 2021, 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.

This report recommends that the federal and provincial governments consider allocating all revenues collected through the following tools since their introduction and going forward, to help partially fund their required contributions to the HousingTO Plan:

### *1) Provincial Non-resident Speculation Tax*

The Non-Resident Speculation Tax (NRST) is a 20 per cent tax on the purchase or acquisition of an interest in residential property located province wide by individuals who are not citizens or permanent residents of Canada or by foreign corporations (foreign entities) and taxable trustees. Prior to March 30, 2022, the NRST was a 15 per cent tax on the purchase of an interest in residential property in the Greater Golden Horseshoe Region (GGH) of Ontario by individuals who are foreign nationals or by foreign corporations or taxable trustees.

The NRST applies to the transfer of “designated land”, which is land that contains at least one and not more than six single family residences. Examples of land containing one single family residence include a detached house, a semi-detached house, a townhouse or a condominium unit. Examples of land containing more than one single family residence that are subject to the tax include duplexes, triplexes, fourplexes, fiveplexes and sixplexes. The NRST does not apply to other types of land such as land containing multi residential rental apartment buildings with more than six units.

Between April 2017, when the NRST first came into effect in GGH, and June 2020, the Ontario Ministry of Finance has collected approximately \$312.6 million in NRST taxes from Toronto. Securing an annual allocation of the NSRT collected from Toronto that can be re-invested in affordable and supportive housing will make a significant impact in the City's progress towards achieving its targets as outlined in the HousingTO Plan.

### *2) Federal Underused Housing Tax*

In Budget 2021, the Government of Canada announced its intention to implement a national, annual 1% tax on the value of non-resident, non-Canadian owned residential real estate that is considered to be vacant or underused. The new annual tax applies beginning on January 1, 2022, and certain residential property owners in Canada will be required to file UHT returns for the 2022 calendar year by April 30, 2023.

While it is yet not clear how many residential properties in Toronto will be subject to UHT, it is critical that any revenues collected through this tax be re-invested in creating much needed affordable housing.

The City encourages the federal government to flow the funds collected from Toronto to the City to complement other federal funding programs and City investments, and maximize affordable housing outcomes for Torontonians.

## **Homelessness in Toronto**

Data from Toronto's Street Needs Assessment (SNA), shelter system flow data and the By-Name List provide us with an understanding of the scope and complexity of homelessness in Toronto. The System Flow Data uses real-time, aggregate data to provide a high level understanding of the number of people interacting with the homelessness service delivery system, including any month-to-month changes. The data currently includes all people who have stayed overnight in a bed in the shelter system on a three month rolling basis.

At the end of February 2022, there were 9,559 people who used the shelter system at least once between December 2021 and February 2022 and were therefore considered actively homeless. . Of this number, 4,508 people (about 47%) were experiencing chronic homelessness in Toronto. Chronic homelessness refers to people who meet one of the follow criteria as per the federal definition of chronic homelessness, being: (i) the person has recorded a minimum of 180 overnight stays in the past year (365 days); or (ii) the person has recurrent overnight stays over the past three years with a cumulative duration of at least 546 nights.

There are people experiencing homelessness in Toronto who sleep outdoors and may choose not to access shelter or respite services for many reasons. According to the 2021 SNA report, there were approximately 742 people experiencing unsheltered (outdoor) homelessness in Toronto on that night. However, the Street Needs Assessment is a point-in-time count and further results indicate that people move frequently between indoor and outdoor locations - only a very small percentage (2%) of outdoor respondents reported staying outdoors only in the past 6 months, and not using any shelter services. This illustrates that homelessness is very fluid where an individual's living circumstances can change within a relatively short period of time, and the majority of people staying outdoors are included in the shelter flow data identified above. Further work is currently underway to integrate street outreach services into the Shelter Management Information System by the end of 2022 to enhance data reporting capabilities further.

The above data also does not include those whose experiences of homelessness are hidden, or who stay in other related systems like provincially administered Violence Against Women shelters.

## **Emergency Responses to Homelessness**

The City of Toronto's approach to addressing homelessness is grounded in a human rights, Housing First, and person-centred 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.

Emergency responses to homelessness, including shelters, 24-hour respite sites, 24-hour drop-ins, temporary COVID-19 response programs and street outreach services, are essential services to respond to the immediate needs of people experiencing homelessness.

The City of Toronto funds and operates over 7,500 shelter and 24-hour respite spaces each night at 75 emergency shelter and overnight services located throughout the city, in addition to 26 temporary shelter sites as part of the City's COVID-19 pandemic response.

While the City is focused on pivoting from emergency measures to permanent housing solutions for people experiencing homelessness, it is critical that the base shelter system be maintained for its intended purpose (i.e. for short-term emergency use).

As noted earlier in this report, additional funding is needed from the federal and provincial governments for 2022 for the City to be able to maintain existing homelessness services related to the COVID-19 pandemic, and concurrently create new supportive housing opportunities to move people experiencing homelessness into permanent supportive housing.

### **More Supportive Housing Needed to Address Chronic Homelessness**

While for most people, homelessness is a relatively brief experience caused mainly by economic circumstances, those experiencing longer term homelessness frequently face more complex challenges. These include systemic inequities driven in large part by anti-Indigenous and anti-Black racism, mental health and substance use issues, trauma, and physical disabilities.

The solution to ending chronic homelessness is creating more supportive housing which provides a combination of deeply affordable homes and a range of support services needed to help people live independently and with dignity. In communities that have achieved reductions in chronic homelessness, investments in supportive housing have been a key component of their success.

Based on current shelter system data and future projections, creating 1,800 supportive homes a year is anticipated to be sufficient to end chronic homelessness in Toronto within three years. Reducing chronic homelessness by moving long-term shelter users into housing would also free up existing shelter beds for their originally intended emergency use, and reduce pressures to expand shelter system capacity to keep up with demand.

Maintaining the 1,800 per year supportive homes target after the initial three years is also critical to achieve 'Functional Zero', meaning, there would be enough housing opportunities for everyone who needs them and ensure that when homelessness does occur, it is rare, brief and non-recurring.

## Cost of Addressing Homelessness

The City continues to focus efforts and resources, and pivot towards creating more housing options as a solution to homelessness, versus expanding the shelter system. This ongoing shift acknowledges that housing is a more cost-effective solution and more importantly, delivers far better health and socio-economic outcomes for individuals.

This report responds to Council's request and outlines the cost of providing a one-year rental subsidy to everyone living in the City's shelters, including hotels, as well as 24-hour respite sites. Nonetheless, it should be noted that providing assistance for one year is not sufficient to end homelessness. Ongoing and predictable operating funding for both rent subsidies and support services is necessary to help people maintain their housing long-term.

### *Cost of Housing Benefits*

Portable housing benefits, such as through the Canada-Ontario Housing Benefit (COHB) program, are an important mechanism to help people exit homelessness into housing when those individuals do not require additional supports. If a comparable one-year rental subsidy were to be provided for all people who use Toronto's overnight shelters and respite sites, the anticipated cost is approximately \$69 million to \$186 million (Attachment 1). This does not include people experiencing homelessness who are not accessing overnight sheltered services (e.g. those sleeping outdoors).

In addition, as mentioned earlier, for almost half of people experiencing homelessness who are chronically homeless, providing a housing benefit alone is likely not sufficient to ensure their housing stability and prevent their return to homelessness. In addition to an affordable place to live, these residents also need access to a range of ongoing health and wellbeing and social supports, tailored to their individual needs.

While housing benefits are a critical part of the solution, they are also limited in their impact by the number of vacancies at any given time. In Toronto in October 2021, there were only an estimated 1,930 vacant studio apartment units within the private rental stock so additional rental housing supply is also needed. Many people experiencing homelessness also face significant challenges, in addition to affordability, in competing in the current rental market due to lack of credit history, references and discrimination.

### *Cost of Supportive Housing*

The cost of providing supportive housing (i.e. affordable housing with a range of support services) is estimated at \$1,500 to \$10,000 per month per person depending on the intensity of supports provided, with the average cost at \$2,000 per month per person (\$24,000/person annually). This amount is on top of the Ontario Works/Ontario Disability Support Program shelter allowance amounts provided directly to individuals.

In terms of operating funding required for supportive housing:

- For 2022, \$27 million in one-time operating funding is needed reflecting the timeframes for when new homes are completed and opened as part of the 24-Month Plan.

- Beginning in 2023, \$48 million per year in ongoing operating funding will be needed to support 2,000 new supportive housing opportunities created through the 24-Month Plan.
- In order to scale up to 18,000 supportive homes, additional and ongoing operating funding commitments will be required from the federal and provincial governments. This includes funding to maintain the existing supportive homes plus the cost of adding new supportive homes per year to achieve the HousingTO Plan 18,000 supportive homes target overall.

More information about the cost of providing a one-year rental subsidy as well as the cost of providing housing with supports for people experiencing homelessness is provided in Attachment 1.

### *Cost of Emergency Measures*

The average cost of operating a single shelter bed is \$40,000 in a year – nearly doubling to \$80,000 during the ongoing COVID-19 pandemic. These costs relate to the shelter and housing costs and do not include the emergency and primary health system costs incurred. Additionally, people experiencing homelessness are hospitalized up to five times more often than the general public, typically for much longer stays, with an average monthly cost of over \$12,000 per person.

Permanent affordable and supportive housing not only result in improved housing, health, and socio-economic outcomes for people, these investments also result in significant cost savings and avoided costs for all orders of government through reduced use of hospitals, emergency services, and the justice system.

## **Intergovernmental Partnerships to Increase Affordable and Supportive Housing**

One of the key objectives of the HousingTO Plan is to end chronic homelessness in Toronto, and ensure that when homelessness does occur, the experience is rare, brief and non-recurring. To achieve this goal, the City has prioritized investments in permanent supportive homes, programs that help to prevent homelessness where possible, and housing-focused services for people experiencing homelessness or precarious housing.

Achieving these ambitious goals requires significant investment from all orders of government. It also requires investments and participation from the community and private sector organizations and institutions.

### **24-Month Plan Update**

As mentioned earlier, the City is on track to exceed the 3,000 housing opportunities target in the [24-Month Plan](#). Over 2021 and 2022, over 3,350 new affordable and supportive housing opportunities are on track to be created.

Exceeding this target has been largely due to the approximately \$400 million in capital funding (2020-21) through the federal Rapid Housing Initiative and \$12.52 in COHB funding (2022-23) for the City and its partners.

Despite this progress, there is an urgent need for new and enhanced capital and operating investments from the federal and provincial governments to help Toronto respond to the housing challenges impacting residents across the city.

A commitment of \$48 million per year in ongoing operating funding, beginning in 2023, is required from the Provincial government. As noted earlier, the 2022 Operating Budget also identified that \$27 million is needed immediately, to support the homes that will be opening throughout the year.

## **Key Advocacy Priorities for 2022-23**

The City will use public education and advocacy, including leveraging its partnerships with community organizations, to encourage continued investments in housing and policy changes by the federal and provincial governments. Priority areas in 2022 will include:

### **1) Expediting Delivery of the HousingTO Plan through the 2023-2024 Housing Recovery and Resilience Plan**

Building upon the success of the 24-Month Plan, a new 2023-2024 Housing Recovery and Resilience Plan is being proposed. Separating the larger 10-year HousingTO Plan investments into "bite sized chunks" helps better align investments with existing government programs and budget cycles.

As part of the new 2023-2024 Recovery and Resilience Plan, a target of 4,000 new affordable and supportive homes are proposed to be created including:

- 2,500 supportive housing opportunities through acquisitions, modular housing, re-purposing existing stock, and investments in operating costs for support services; and
- 1,500 affordable housing through housing benefits (including the Canada-Ontario Housing benefit)

A scaling up of the Canada-Ontario Housing Benefit, an additional rental acquisition program, plus investments in new and existing programs announced through the 2022 federal budget, including the top-up to the Rapid Housing Initiative, will be necessary to achieve these targets.

New operating funding to support an additional 2,500 new supportive housing opportunities proposed to be created in 2023 and 2024 (approximately \$60 million per year once all units are completed and occupied), will be required.

This amount is in addition to the \$48 million per year required from 2023 and ongoing for the 2,000 supportive homes created in 2021 and 2022, as part of the 24-Month Plan.

## **2) Encouraging Whole-of-Government and Whole-of-Community Approaches to deliver the larger HousingTO Plan**

Building on the tremendous work done to-date to build intergovernmental, community and public awareness of the City's 10-year housing plan, future advocacy efforts will focus on:

- Strengthening our narrative and how we can better communicate the “urgency to act” and “risks of inaction” to influence policy and program changes and to attract sustainable levels of funding to build new affordable and supportive housing, and to maintain our existing housing stock.
- Helping government partners to better understand housing needs across the full housing continuum in Toronto based on evidence, data and the lived experiences of people impacted by homelessness and housing instability.
- Helping government partners to better understand the interconnectivity of the housing, equity and climate action goals and targets set by each order of the government, in an effort to optimize public investments and meet shared goals.

## **3) New and Modernized Rate Structure for Ontario Works and Ontario Disability Support Program Recipients**

Ontario’s social assistance program is delivered through two main programs: Ontario Works (OW) is aimed at adults in serious financial need, and the Ontario Disability Support Program (ODSP) is aimed at people with serious financial need and a disability. Both programs are provincially funded and are similar in design, but ODSP has a higher benefit rate and offers more extensive health benefits and supports.

The level of financial support provided by OW and ODSP have not kept up with rising costs and the nature of our economy and labour market. For instance, in 2022, the [Average Market Rent](#) of a one-bedroom apartment in Toronto is \$1,446 per month while a studio is \$1,225. Actual asking rents for private market rentals are even higher. In this context, the shelter portion of OW and ODSP benefits for a single person household - \$390 and \$479 respectively per month – is inadequate for people to afford housing in the Toronto market.

Additionally, the Province (under the Housing Services Act rent scales) provides a household receiving social assistance in private sector rental housing with a much larger housing benefit than it does a household receiving social assistance who lives in social housing and receives rent-geared-to-income (RGI) assistance. For example, the legislated rent scales provide \$85 per month for a single person receiving OW who lives in RGI housing, compared to \$390 for the same person residing in the private market housing. This inequity inflates the RGI subsidy for each household in receipt of OW or ODSP and, as a result, transfers a cumulative financial burden of over \$80 million in provincial social assistance costs to the City’s tax base each year.

Equalizing the rent scales for OW/ODSP recipients would allow the City to direct the \$80 million it currently spends each year shoring up the provincial benefit program, to the City's own housing priorities.

The City of Toronto has been requesting the Province to increase and simplify social assistance rates, and provide increased benefits to households receiving social assistance (i.e. OW/ODSP) at levels that recognize the higher rental costs in major cities, and to provide equal rent scales for OW and ODSP recipients living in social housing. Without access to housing benefits that reflect the true cost of housing in Toronto, individuals and families experiencing homelessness who receive OW or ODSP, or have a low-income, will continue to face a significant and ever increasing financial barrier in securing long-term affordable housing.

Boosting income support benefit rates and introducing a new 'standard flat rate' would be the simplest, fastest and most direct ways to assist Ontario residents experiencing the deepest poverty. In 2017, Toronto City Council endorsed the recommendations of the "[Income Security: A Roadmap for Change](#)" report commissioned by the Province, including increasing OW and ODSP rates by 22 and 15 percent respectively and introducing a new standard flat rate which does not distinguish between basic needs and shelter. More recently, the City called for a change to the current approach to the way shelter benefits are paid at a flat rate across the province.

## **Communications Approach - Raising Awareness about Housing and Homelessness Initiatives in Toronto**

In addition to direct intergovernmental collaboration and advocacy, the City will also be rolling-out a number of public-facing initiatives to raise awareness about the importance of affordable and supportive housing. This will include details on existing housing initiatives, the need for new and enhanced funding from the federal and provincial governments to address the housing and homelessness crisis, and the role of community in supporting the delivery of new homes.

The Housing Secretariat, and SSHA staff will work with Strategic Public and Employee Communications (Strategic Communications) and community partners to develop a Communications Plan with a variety of traditional, digital and grassroots communications tools to reach Toronto residents, and various stakeholders.

Outreach tactics are expected to include, but not limited to, enhancing web content on various toronto.ca web pages, using the City's social media channels to share educational content and promote advocacy for affordable and supportive housing, creating new promotional materials using a variety of multimedia to highlight various initiatives and programs, paid and in-kind advertising where possible, leveraging existing media opportunities and proactively seeking other media opportunities across various platforms. In addition, information will be incorporated whenever possible into public engagement opportunities, conferences and meetings with other orders of government and various stakeholders.

The City will continue to work with various housing and homelessness partners to include information on their social media channels, in their email communications and newsletters, on their websites or blogs and utilizing other relevant channels that they

may have access to in order to maximize public and stakeholder reach and engagement with HousingTO materials and information.

The Housing Secretariat and SSHA staff will also continue to provide information to elected officials for use through their own communication channels and in public engagement opportunities.

## **Conclusion**

The housing and homelessness challenges impacting residents across Toronto have been decades in the making. A number of factors including underinvestment in purpose-built rental and affordable housing by all orders of government, a housing market that has driven up shelter costs, incomes that have not kept pace with cost of living increases, insufficient investments in mental health and substance issue and social supports, and stagnant social assistance rates, have all led to strained housing and homelessness systems. These impacts have also been more acutely felt by low-income households, including those from equity-deserving groups.

Accelerated and enhanced investments in housing, and a range of health and social supports, are critical to help address these long-standing inequities. Increases in social assistance rates are also urgently needed to prevent more households from falling into deep poverty, homelessness or housing precarity.

New and enhanced investments in housing, health and social supports are needed to successfully deliver the HousingTO Plan. These investments will also support the shared objectives of all governments including eliminating chronic homelessness; increasing housing stability; supporting climate action; and creating more equitable, inclusive, and vibrant communities where all residents have equal access to succeed. Further, these investments will also help create job opportunities and expedite economic recovery from the COVID-19 pandemic.

## **CONTACT**

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## **SIGNATURE**

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## **ATTACHMENTS**

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Attachment 1- Costing of providing a one-year rental subsidy and housing with supports  
for people experiencing homelessness



## ATTACHMENT 1- COSTING OF PROVIDING A ONE-YEAR RENTAL SUBSIDY AND HOUSING WITH SUPPORTS FOR PEOPLE EXPERIENCING HOMELESSNESS

Housing benefits or rental subsidies are a key tool in helping people to afford rent in Toronto. Housing benefits are beneficial due to their portability which provides households with the flexibility to stay in their current home or find housing in a preferred location, closer to employment, social support networks, child care, and schools.

The COHB, which is a joint federal/provincial funded program, can be used province-wide and allows households to move to other communities across Ontario, should they wish to do so. The COHB benefit amount is calculated based on the difference between 80% of Average Market Rent (as reported annually by the Canada Mortgage and Housing Corporation) and 30% of the client's annual household income (Adjusted Family Net Income).

The average benefit amounts for households from the 2020-2021 COHB program range from \$605 to \$923 a month (\$7,260 to \$11,076 annually) depending on household size, as shown in the table below.

*Table 1. Average Canada-Ontario Housing Benefit (COHB) amounts by household type and income source from 2020-2021*

Household Type	COHB Amount by Income Source			
	Ontario Works (OW)		Ontario Disability Support Program (ODSP)	
	Monthly	Annually	Monthly	Annually
Single	\$820	\$9,840	\$689	\$8,268
Household of 2	\$721	\$8,652	\$605	\$7,260
Household of 3	\$823	\$9,876	\$634	\$7,608
Household of 4	\$923	\$11,076	\$668	\$8,016

The table below shows the average number of people who used the shelter system during the month of February 2022, as well as the annual average usage between 2018 and 2021

*Table 2. Total cost to provide one-year rental subsidy for all people who used overnight shelters from Shelter System Flow Data*

	Number of people who used overnight shelters	Total cost to provide one-year rental subsidy (approximate annual COHB amount ranging from \$7,260 to \$11,076/person)
In the last month (Feb. 2022)	9,559	\$69,398,340- \$105,875,484
Average for 2018-2021	16,845	\$122,294,700 - \$186,575,220

**Estimated cost to provide additional housing with supports for people experiencing homelessness**

The cost of housing with supports required is estimated at \$1,500 to \$10,000 a month per person, with the average cost at \$2,000 a month per person (\$24,000/person annually).

Based on the estimated number of people currently experiencing chronic homelessness in Toronto, it is estimated that approximately \$108 million per year is required for housing supports to ensure that those experiencing chronic homelessness can achieve housing stability.

*Table 3. Amount required to provide housing supports for people experiencing chronic homelessness*

Number of people experiencing chronic homelessness (as of Feb. 2022)	Total cost to provide housing support for one year (\$2000/month per person)
4,508	\$ 108,192,000

Delivery of the 24-Month Plan plus the proposed 2023-2024 Housing Resilience 2023-2024 Housing Recovery and Resilience Plan will help the City create over 4,500 new permanent supportive housing opportunities by end of 2024.

Additional new affordable homes will continue to be delivered through [the Open Door Program](#) and housing allowance programs.