

2024 Budget Notes

Housing Secretariat

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Description

The Housing Secretariat is focused on: supporting the delivery of a range of new homes including affordable rental homes; preserving the City's existing social affordable and market rental housing stock; improving housing stability for marginalized Torontonians; helping residents access and maintain safe, adequate and affordable housing; and supporting equity and climate action.

To help achieve these objectives, the Housing Secretariat:

- oversees and supports implementation of the City's HousingTO 2020-2030 Action Plan ('HousingTO Plan') and reports to City Council on performance;
- leads the development of effective systems-level housing strategies, policies and programs that help increase the supply of new homes across the housing continuum, preserve and improve purpose-built rental homes and improve housing affordability for Torontonians;
- administers federal, provincial and City investments to co-op, non-profit, Indigenous and private sector organizations to build new affordable and supportive rental homes, improve the condition of existing social, affordable and market rental homes, and help people find and maintain housing;
- implements and oversees capital delivery in partnership with other City divisions and agencies, as well as co-op, non-profit, Indigenous and private sector organizations;
- builds and maintains partnerships with co-op, non-profit, Indigenous and private sector organizations to advance housing priorities; and
- provides strategic advice and support on housing issues to the City Manager, Deputy City Managers, Elected Officials, and other partners.

Why We Do It

The City's 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, sustainable and liveable communities. The actions in the HousingTO Plan also reflect and advance the City's commitment to the progressive realization of the right to adequate housing. Council's recent approval of new housing targets, focused on creating more mixed-income, sustainable neighbourhoods, increase the previous HousingTO Plan target of approving 40,000 affordable rental homes by 2030. The new housing target is 65,000 rent-controlled homes, comprising of 6,500 Rent-Geared-to-Income (RGI), 41,000 affordable rental, and 17,500 rent-controlled market units, by 2030.

Creating a range of affordable rental homes, as well as preserving the city's existing purpose-built rental housing stock will increase the opportunity for Indigenous peoples, as well as equity-deserving groups, including Black and other racialized residents, seniors, women and gender diverse people, youth, and members of the 2SLGBTQI+ community to access safe, healthy, and adequate housing.

Safe, adequate, affordable housing is an important determinant of health and a cornerstone of vibrant, healthy and inclusive neighbourhoods. It also supports the environmental and economic health of the city, region and country.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

Housing Secretariat: Abigail Bond Executive Director, Housing Secretariat Tel: (416) 339-1143 Email: abigail.bond@toronto.ca	Corporate: Cindy Williamson Manager, Financial Planning Tel: (416) 397-4531 Email: cindy.williamson@toronto.ca
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What Service We Provide

Housing Development, Revitalization & Improvement

Who We Serve: Low- and moderate-income residents, including Indigenous and Black communities, and those from other equity-deserving groups.

What We Deliver: Implementation of programs that protect existing rental homes, as well as support and oversee the creation of new affordable housing, including RGI homes (both with and without supports) and rent-controlled market rental homes. Our focus includes City-led projects on City land, utilizing a range of public builder models; and a City-supported approach through which co-op, non-profit, private and Indigenous housing providers are supported to deliver new rental homes on their own land. Programs that support these approaches include the Open Door Affordable Housing Program to accelerate affordable housing construction by providing City financial contributions and incentives; the Housing Now initiative on City land which creates mixed-income, complete communities with a range of housing opportunities; the Multi-Unit Residential Acquisition (MURA) program to protect existing affordable rental stock; the City's laneway and garden suite program; renovation programs that support safety, accessibility and energy efficiency upgrades to homes occupied by low-income seniors and persons with disabilities; assistance for low- and moderate-income residents to purchase affordable homes through the City's Home Ownership Assistance Program (HOAP); and the City's Tower Renewal Program to help apartment building operators and residents make building improvements and revitalize the surrounding community.

How Much Resources (gross 2024 operating budget): \$248.3 million

Housing System Policy & Strategy

Who We Serve: Low- and moderate-income residents, including Indigenous and Black communities, and those from other equity-deserving groups.

What We Deliver: System-level strategy, policies and programs that help: increase the supply of new homes across the housing continuum; preserve and improve existing purpose-built rental homes; and improve housing affordability for Torontonians. The Housing Policy and Strategy team is responsible for developing key strategies and initiatives to support overall delivery of the HousingTO Plan, including monitoring and reporting on performance of the Plan, and developing strategic partnerships with internal and external stakeholders, including government partners.

How Much Resources (gross 2024 operating budget): \$7.0 million

Housing Stability Services

Who We Serve: Low- and moderate-income residents, including Indigenous and Black communities, and those from other equity-deserving groups.

What We Deliver: Service system management, including: funding and oversight of 280 housing providers; 92,000 social and affordable homes (including 59,000 Toronto Community Housing Corporation and Toronto Seniors Housing Corporation homes); administering over 7,100 housing benefits; and providing grants to community agencies that help households find and maintain housing.

How Much Resources (gross 2024 operating budget): \$728.6 million

Tenant Access & Support

Who We Serve: Low- and moderate-income residents, including Indigenous and Black communities, and those from other equity-deserving groups.

What We Deliver: Oversight of the administration of the Centralized Waiting List and other renter support and eviction prevention programs that help residents access co-op, non-profit, Indigenous and affordable rental homes, including supportive homes.

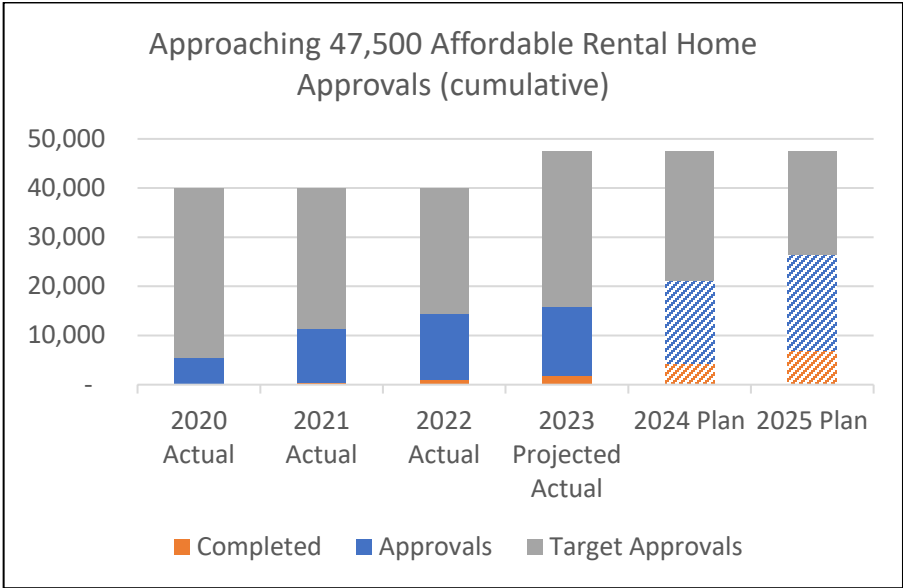
How Much Resources (gross 2024 operating budget): \$15.7 million

Budget at a Glance

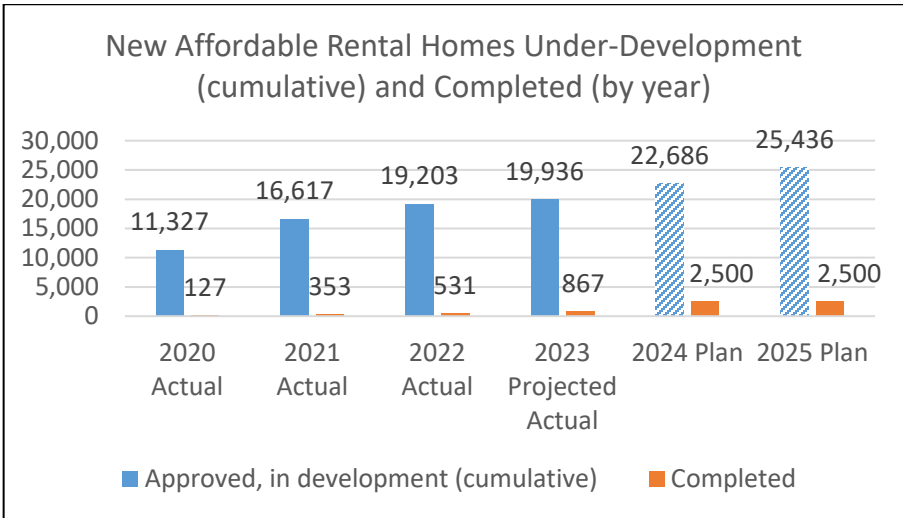
2024 OPERATING BUDGET			
\$Million	2024	2025	2026
Revenues	\$508.0	\$287.7	\$263.0
Gross Expenditures	\$999.6	\$815.5	\$801.7
Net Expenditures	\$491.6	\$527.8	\$538.7
Approved Positions	268	268	268

2024 - 2033 10-YEAR CAPITAL PLAN			
\$Million	2024	2025-2033	Total
Gross Expenditures	\$394.8	\$1,999.4	\$2,394.2
Debt	\$ 73.0	\$1,531.7	\$1,604.7
Note: Includes 2023 carry forward funding			

How Well We Are Doing – Behind the Numbers

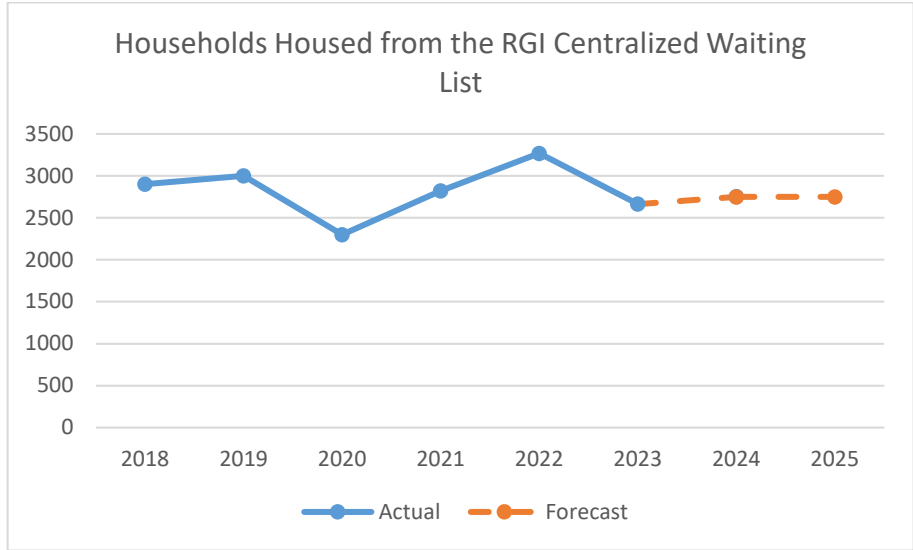


- Within the first four years of the HousingTO Plan, the City has achieved 34% of the new 10-year target of 47,500 affordable rental homes and is on track to approve 26,000 (56%) affordable rental homes by 2025. While the City is on track to meet its approval targets, new financial and policy tools from the federal and provincial governments are required to help get these homes constructed and ready for occupancy.
- Historical approvals (2020-2022) have been updated to include all units approved through the City’s planning process.

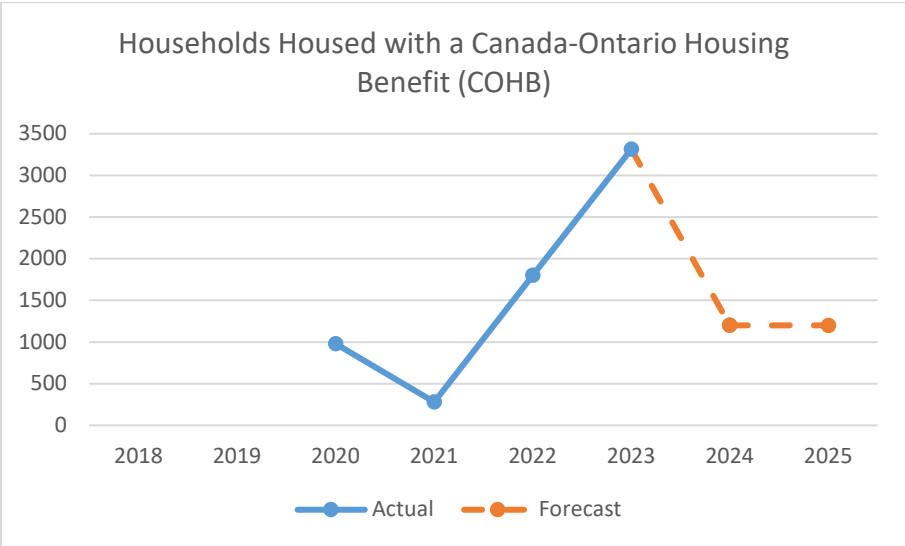


- This chart shows the number of affordable rental homes supported through City investments, which are at various stages in the development process. There are 19,936 approved affordable rental homes, including sites approved prior to the start of the HousingTO Plan.
- The increased number of homes 'under development' in years 2020 to 2022 are due to increased federal and City capital investments through three programs: (1) Housing Now Initiative; (2) Modular Supportive Housing Initiative; and (3) Federal Rapid Housing Initiative (RHI). Additionally, fluctuations from 2022-2023 are due to homes being completed. It is expected that the number of new affordable rental homes approved will continue to fluctuate as more homes are completed and others are added.
- Historical numbers for affordable rental homes under-development have been updated to include all units approved through the City’s planning process. As well, the large increase from 2023 to 2024 is due to City Council’s increase in the HousingTO Plan approvals target to 47,500 affordable rental homes.

How Well We Are Doing – Behind the Numbers



- This graph shows the number of households who have been housed from the Centralized Waiting List (CWL) for RGI housing.
- The full implementation of the MyAccessToHousingTO applicant portal and the Choice Based housing process have reshaped how applicants interact with the CWL. The number of households housed from the CWL has remained steady through 2023 and forecasts indicate a similar trend into 2024. A notable improvement is the ease and speed by which a household is connected to an available RGI unit. As the system design includes enhanced information about real-time vacancies, including photos, amenities and location, applicants are able to make informed housing decisions and are more likely to accept housing offers.



- This graph shows households who have obtained a Canada-Ontario Housing Benefit (COHB), a portable housing benefit that helps people obtain and afford housing in the private market.
- 2023 projected uptake on the COHB is 3,315 households, which is above the initial targets. Provincial funding allocations for the 2024 and 2025 budget years have not been confirmed. As such, 2024 and 2025 estimates for COHB of 1,200 households are based on current levels of support.

How Well We Are Doing

Service	Measure	2021* Actual	2022 Actual	2023 Target	2023 Projection	Status	2024 Target	2025 Target
Outcome Measures								
Housing Development, Revitalization & Improvement	Affordable Rental Homes Approved*	5,921	3,021	3,500	1,380	●	5,250	5,250
Housing Development, Revitalization & Improvement	Affordable Rental Homes Completed*	353	531	2,500	867	●	2,500	2,500
Housing Development, Revitalization & Improvement	Affordable Ownership Homes Approved	0	151	400	0	●	400	400
Housing Development, Revitalization & Improvement	Affordable Homes Improvement Project Completions (homes impacted)	15,682	7,186	1,000	8,230	●	8,000	8,000
Housing Development, Revitalization & Improvement	Affordable Rental Homes Acquired (Multi-Unit Residential Acquisition Program) Approved	N/A program launched in 2022	140	120	120	●	60	60

* Historical numbers for affordable rental homes under-development have been updated to include all units approved through the City's planning process. As well, the large increase from 2023 to 2024 is due to City Council's increase in the HousingTO Plan approvals target to 47,500 affordable rental homes.

2023 Projection to 2023 Target Comparison

● 100% (MET TARGET) ● 70 – 99% (LOW RISK) ● 69% and Under (REQUIRES ATTENTION)

How Well We Are Doing

Service	Measure	2021 Actual	2022 Actual	2023 Target	2023 Projection	Status	2024 Target	2025 Target
Service Level Measures								
Housing Stability Services	# of RGI Subsidies ¹				71,350	●	72,640	73,000
Housing Stability Services	RGI (# of households receiving subsidies) ²	70,101	66,828	70,900	69,494	●		
Housing Stability Services	COHB - # of Households Housed	280	1,800	1,300	3,315 ³	●	1,200 ⁴	1,200 ⁴
Housing Stability Services	RGI Centralized Waiting List - # of Household Housed	2,821	3,269	2,750	2,663	●	2,750	2,750
Other Measures								
Tenant Access & Support	Rent Bank - # of Loans/Grants	1,717	2,285	2,400	2,000	●	2,400	2,400
Tenant Access & Support	Eviction Prevention in the Community (EPIC) - # of Tenancies Sustained	571	487	1,200	690	●	1,100	1,100

¹This is a new metric for 2024 and includes the total number of RGI subsidies (both occupied and vacant).

²This metric is being phased out in 2024, as it only includes occupied units and not those that are in the system and in the process of being filled.

³Includes additional allocation jointly funded by the City / Province

⁴Based on current levels of funding

2023 Projection to 2023 Target Comparison

● 100% (MET TARGET) ● 70 – 99% (LOW RISK) ● 69% and Under (REQUIRES ATTENTION)

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

Increasing New Affordable and Supportive Housing Opportunities*

- In addition to creating new housing supply, by leveraging the Canada-Ontario Housing Benefit (COHB) and existing vacant Toronto Community Housing Corporation/Toronto Seniors Housing Corporation (TCHC/TSHC) units, 9,150 new affordable and supportive housing opportunities have been created since 2020. Successes include:
 - Delivered the COHB program that provided a geared-to-income portable housing benefit to 3,315 households in 2023, (3,061 households from shelters and 254 Indigenous households), for a total of 6,376 households supported since the beginning of the program in 2020 to secure housing in the private market.
 - Created 484 new housing opportunities through the Rapid Rehousing Initiative in partnership with TCHC and TSHC in 2023 (bringing the total to 1,776 since the start of the program in 2020) to expedite access to existing vacant RGI units for people experiencing homelessness and layering on follow-up support services to keep residents housed and improve their well-being.
 - Secured \$169.4 million in funding for 416 new rental homes with supports in 2023 through Phase 3 of the Rapid Housing Initiative (RHI), bringing the total to \$610.8 million in Federal capital grant funding through the program to create 1,504 new RGI and/or supportive homes.
 - Allocated over 20% of the City of Toronto's capital funding allocation through RHI to Indigenous-led and owned projects, supporting City reconciliation efforts.
- Secured a recurring three-year commitment of \$48 million per year in operating funding from the Province of Ontario to support the City's Homelessness Prevention Program (HPP) which provides support services in more than 2,000 supportive rental homes completed since 2020.
- Advanced three sites as part of the Housing Now Initiative, including breaking ground on 5207 Dundas Street West, as well as moving sites at 50 Wilson Heights Boulevard and 140 Merton Street towards the start of construction.
- Supported the ongoing development of affordable rental homes, which as of the end of December 2023, included 2,867 affordable rental homes under construction and 16,159 affordable rental homes in the pre-construction phase of development.

**Housing opportunities include accessing existing rental homes in TCHC/TSHC and the private market.*

Advancing Housing System Policy, Strategy & Partnerships

- Launched the City of Toronto's *Generational Transformation of Toronto's Housing System to Urgently Build More Affordable Homes* report ([2023.EX9.3](#)), which includes initiatives and actions focused on shifting and strengthening Toronto's housing system to increase non-market housing supply and better address the housing needs for a range of households.
- Advanced intergovernmental advocacy efforts and partnerships to secure new housing investments, including submitting a successful Housing Accelerator Fund application, which was approved in December 2023 and secured approximately \$471 million for 2023-2027 ([2023.MM13.27](#)).
- Secured approximately \$170 million through Phase Three of the federal Rapid Housing Initiative to create 416 net new supportive housing units in 2024 and 2025 ([2023.PH8.11](#)).
- Continued to work in collaboration with Miziwe Biik Development Corporation (MBDC) towards the shared Indigenous/City goal of creating 5,200 new affordable rental and supportive homes by Indigenous organizations for Indigenous residents.
- Advanced partnerships with academic institutions, housing organizations serving women and gender-diverse people, accessibility experts and advocates, and regional governments to improve housing outcomes for all Toronto residents.
- Launched the Toronto Housing Data Hub, a new centralized and publicly accessible source of information and data related to the City's affordable housing projects, and the HousingTO Plan Dashboard, which provides information on the City's progress towards meeting the HousingTO Plan targets.
- Advanced a human rights-based approach to housing through establishing a new Housing Rights Advisory Committee to advise City Council in its efforts and ensure that the needs and interests of people with living/lived experiences of housing precarity, discrimination and homelessness are reflected in City programs and service delivery.

- Continued to lead the City's Accessible Housing Working Group to establish better Universal and Accessible design standards for City-Led and City-Supported housing projects. This included a presentation of findings and recommendations to the City's Toronto Accessibility Advisory Committee (TAAC).

Preservation of Existing Housing Stock

- Continued to implement the City's Taking Action on Tower Renewal (TATR) program which includes over \$13.5 million in federal grants and loans for retrofit work and energy upgrades in rental apartment buildings under an agreement with the Federation of Canadian Municipalities.
- Continued to implement the Multi-Unit Residential Acquisition (MURA) program through a competitive call in 2023, that awarded funding to seven groups, to bring an estimated 170 new permanently affordable homes into non-profit and Indigenous ownership. The City allocated \$55.6 million in funding through MURA in 2022 and 2023 for Indigenous and non-profit organizations to acquire and permanently secure approximately 310 affordable rental homes. To date, 13 per cent of MURA's funding has been allocated to support the acquisition of 35 affordable rental homes by Indigenous housing organizations.
- Received Council direction to undertake work with TCHC/TSHC to complete a full review of the revitalization program, including in-flight and future projects, and to identify and support opportunities to improve financial viability and financing/funding opportunities.

Strengthening Housing Administration and Housing Stability for Renters

- Completed the Toronto Tenant Grants Administration call for applications. Entered into an agreement with NIP Information Post (NIP) to administer five grant programs for low-income tenants, including: the Rent Bank Grant, the Emergency Energy Fund, the Bridging Grant, the Enhanced Bridging Grant Benefit Fund and the Eviction Prevention in the Community (EPIC) Fund, for a period of 2.5 years.
- Developed and entered into a Memorandum of Understanding with the Co-operative Housing Federation of Toronto (CHFT) and CHFT Development Society Inc. to provide \$100,000 to support capacity building for existing non-profit housing co-operatives and \$400,000 to support the identification and pre-development work related to new affordable non-profit housing co-op units.
- Continued to implement the new RGI priority for Indigenous households by partnering with Indigenous organizations to determine criteria and assess priority eligibility for RGI applicants.
- Continued to implement MyAccessToHousingTO, a new choice-based model for accessing RGI housing, which resulted in approximately 2,663 households placed in RGI housing in 2023.
- Continued working towards the implementation of a Centralized Affordable Rental Housing Access System for affordable rental housing opportunities through the creation of a one-window housing access system for eligible applicants, to apply for RGI and/or affordable rental homes.

Key Challenges and Risks

- While the City has secured increased investments from the federal and provincial governments for supportive housing, the level of investment remains inadequate to respond to the scale and scope of Toronto's homelessness crisis. As of October 2023, there were over 10,000 people actively experiencing homelessness in Toronto.
 - The City has requested that the Province commit to providing an incremental \$60 million beginning in 2025, for wrap-around health and social supports to enable the creation of 2,500 new affordable rental homes with supports.
- Without significant new investments in housing benefits, rates of homelessness and evictions will continue to increase, adding additional pressures to the housing and shelter systems. The City will also not be able to adequately support refugees and asylum seekers, contributing to pressures in an already strained and over-capacity shelter system.
 - The City has requested that both orders of government urgently scale up investments in the COHB program and commit to providing at least 3,100 new allocations per year in Toronto.
- The new federal investment through the Housing Accelerator Fund is significant and may be leveraged to support the acquisition and conversion of private rental stock into permanently affordable non-profit housing, as well as invested in new affordable rental homes. However, the overall level of federal and provincial investment to support HousingTO 2020-2030 is inadequate. Without greater investment, more residents will face evictions and more naturally occurring affordable rental homes (i.e., existing rental homes at the low-end of market) will be permanently lost.

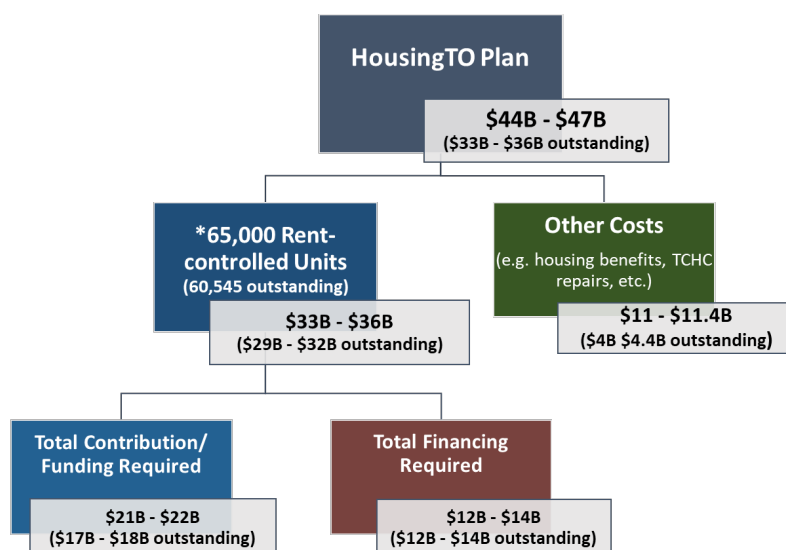
- The City will continue to advocate for federal and provincial investments to support the acquisition and preservation of the existing housing stock. It is critical that immediate action is taken to maintain the existing supply of rental homes as it is currently estimated that for every new rental home built, 15 are being lost due to sale.
- Achieving the HousingTO Plan target of the approval of 65,000 rent-controlled homes, comprising 6,500 RGI, 41,000 affordable rental and 17,500 rent-controlled market units, by 2030 will be challenging without new and enhanced investments from all orders of government plus participation from the non-profit, co-operative, Indigenous and private sectors. This is exemplified through the City's underachieved 2023 targets for affordable rental homes approved and completed due to loss of revenues as a result of provincial Bill 23 as well as macro-economic conditions (i.e., rapidly increasing construction costs and interest rates) which have stalled progress on many of the City's affordable housing programs, including the grant component of the Open Door program.
 - The total estimated cost to deliver the HousingTO Plan, and achieve the new 65,000 rent-controlled homes target is approximately \$44.4 billion to \$47 billion in total required investments (financing and funding/contributions), reflecting:
 - \$33.4 billion to \$36 billion to complete the 65,000 units and \$11 billion for other costs, including TCHC/TSHC repairs, housing benefits, operating funding for supportive housing, among other costs;
 - \$12.8 billion to \$14 billion in estimated re-payable loans/financing required, which could be leveraged based on rents; and
 - \$31.6 billion to \$33 billion in funding required from other orders of government.
 - The recently announced federal investment of \$471 million through the Housing Accelerator Fund (allocated over four annual installments) is a contribution to the City's request of \$500-800 million annually from each level of government towards the City's housing targets.

Estimated total cost to deliver the HousingTO Plan, including the re-payable loans/financing and contribution/funding required by all orders of government is summarized in the following table:

Component	Estimated Cost (\$B)
65,000 units (incl. 60,545 units unfunded and 4,455 units funded)	\$33.4 - \$36.0
<i>Other (including TCHC/TSHC repairs, housing benefits, operating funding for supportive housing, etc.)</i>	\$11.0
Total Required Investments (Financing and Funding/Contributions)	\$44.4 - \$47.0
<i>Estimated Re-payable Loans/Financing Required (that could be leveraged based on rents)</i>	<i>(\$12.8) – (\$14.0)</i>
Total Estimated Contribution/Funding Required for HousingTO Plan	\$31.6 - \$33.0

Notes:

- 1) The estimated cost for the 65,000 units does not include land value; assumes land will be provided at no cost by all orders of government as well as non-profit partners to build new homes.
- 2) The estimates do not include any funding/grants received or committed to-date.
- 3) The estimates assume that the 'Re-payable Loans/Financing Required' will be provided by the federal and provincial governments and repaid through rental revenues.



- The City's financial contributions to housing development are included in both the Operating and Capital Budgets, as capital contributions towards sites owned by the non-profit and private sectors are committed through the Operating Budget and payable as grants.
- The City's outstanding capital contribution towards the 65,000 rent-controlled homes is an estimated \$3.5 billion.
- The City has programs in its Operating Budget, including the Open Door and the MURA program, that are critically impacted by the loss of revenue as a result of Bill 23.

Priority Actions

1) Advance delivery of HousingTO Plan targets

- Advance progress on the new HousingTO Plan approval target of 65,000 rent-controlled homes, comprising 6,500 RGI, 41,000 affordable rental and 17,500 rent-controlled market units, by 2030.
- Accelerate the delivery of 'housing ready' projects on City and non-profit owned land, which includes between 16,000 and 17,500 net new affordable rental, RGI and rent-controlled market homes on land owned by the City and almost 2,000 affordable rental and RGI homes owned by the non-profit, co-op and Indigenous housing sectors.
- Advance due diligence on 40 additional City-owned sites (including sites owned by agencies, boards and corporations) that have been identified as potential future housing sites.
- Approve 5,250 new affordable rental homes.
- Explore new and sustainable funding models to expand the delivery of affordable and RGI homes within mixed-income and sustainable communities.
- Support the non-profit, co-operative and Indigenous housing sectors to increase their capacity to deliver affordable rental homes.

2) Increase the supply of rent-controlled homes, including affordable rental and RGI homes, as well as supportive housing

- Increase affordable and RGI homes on public and non-profit owned sites, including an additional 1,296 RGI units in 2024.
- Work with the federal and provincial governments to secure additional financing and equity contributions that can unlock existing purpose-built rental sites that have been approved, but not yet constructed.
- Increase the number of new affordable homes with supports, with new housing supply and existing housing stock, to move people out of the shelter system and into homes in which they can improve their health and well-being, in partnership with the federal and provincial governments and non-profit, co-op and Indigenous housing partners.
- Launch pilot to provide enhanced supports to three to five high needs TCHC/TSHC or non-profit buildings, which will support the increasing numbers of tenants with complex medical and social needs who may be at risk of higher 911 use, eviction and homelessness.

- Increase collaboration with health partners, including hospitals, to optimize existing resources and enhance access to health care for tenants in supportive housing.

3) Increase access to affordable housing with a focus on Indigenous and equity-deserving groups

- Continue to prioritize the creation of 5,200 affordable homes by Indigenous organizations, for Indigenous residents, in partnership with Miziwe Biik Development Corporation (MBDC).
- Advance funding allocation of at least 20% of the City's RHI allocation to Indigenous organizations, as well as allocating 20% of housing and homelessness grant funding to Indigenous organizations.
- Advance partnerships with Black-serving organizations to help more Black residents with low- and moderate-income levels access safe, adequate, affordable rental housing.
- Increase access to affordable housing opportunities for women and gender-diverse people, racialized people, people with disabilities, seniors, students and 2SLGBTQI+ persons.

4) Advance a Renter Strategy and increase supports for renters

- Support people to move out of homelessness through housing assistance programs, including advocating for and receiving additional housing benefits through COHB.
- Support the implementation of the new framework ([2021.PH25.10](#)) for Multi-Tenant Homes (MTH), including launching a program to support MTHs to be renovated, in compliance with the new [MTH Licensing By-law](#), effective March 31, 2024 ([2023.CC2.1](#)).
- Launch a Housing At-Risk Table (HART) to streamline, centralize and enhance City programs that support renters, as well as strengthen relationships with external organizations that serve renters. HART will support implementation of the renovations by-law; coordinate emergency relocations and supports for tenants who have been evicted; review complaints received from residents for purposes of triaging complaints within the City administration for action (including further investigation); and connect people to supports and information, including external resources, as needed.

5) Preserve existing rental housing stock

- Support non-profit, co-op and Indigenous housing partners to acquire and convert private rental stock into permanent affordable homes and enhance housing stability for renters through the MURA Program.
- Allocate existing grants awarded through the MURA Program.
- Acquire 60 affordable rental homes through MURA.
- Continue to leverage City resources and programs, including TATR, and work with other orders of government to secure new funding to support climate resilience efforts including retrofitting existing private residential buildings and TCHC and TSHC buildings.

CITY STAFF PREPARED BUDGET

The City Manager and Chief Financial Officer and Treasurer have prepared the following budget:

1. The 2024 Operating Budget for the Housing Secretariat of \$999.582 million gross, \$507.964 million revenue and \$491.618 million net for the following services:

Service:	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Housing Development, Revitalization & Improvement	248,291.77	248,291.77	-
Housing System Policy & Strategy	7,000.77	4,795.03	2,205.73
Tenant Access & Support	15,671.54	9,755.69	5,915.86
Housing Stability Services	728,617.90	245,121.48	483,496.42
Total Program Budget	999,581.98	507,963.97	491,618.01

- The 2024 staff complement for the Housing Secretariat of 268 positions, comprised of 16 capital positions and 252 operating positions.
2. The 2024 Capital Budget for the Housing Secretariat with cash flows and future year commitments, totaling \$2,394.233 million, as detailed by project in [Appendix 5a](#).
 3. That all sub-projects with third party financing be subject to the receipt of such financing in 2024 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

2024
OPERATING BUDGET

2024 OPERATING BUDGET OVERVIEW

Table 1: 2024 Operating Budget by Service

(In \$000s)	2022 Actual	2023 Budget	2023 Projection*	2023 Budget excl COVID	2024 Base Budget	2024 New / Enhanced	2024 Budget	Change v. 2023 Budget excl COVID	
By Service	\$	\$	\$	\$	\$	\$	\$	\$	%
Revenues									
Housing Development, Revitalization & Impro	38,101.7	192,465.1	117,180.7	192,465.1	248,291.8		248,291.8	55,826.7	29.0%
Housing System Policy & Strategy	909.5	1,669.5	1,669.5	1,669.5	4,795.0		4,795.0	3,125.5	187.2%
Tenant Access & Support		8,126.1	8,435.3	8,126.1	9,755.7		9,755.7	1,629.6	20.1%
Housing Stability Services	202,373.3	241,924.9	217,026.1	241,924.9	242,828.2	2,293.3	245,121.5	3,196.5	1.3%
Total Revenues	241,384.6	444,185.7	344,311.6	444,185.7	505,670.7	2,293.3	507,964.0	63,778.3	14.4%
Expenditures									
Housing Development, Revitalization & Impro	34,636.3	194,115.6	121,486.6	194,115.6	245,883.2	2,408.5	248,291.8	54,176.2	27.9%
Housing System Policy & Strategy	2,071.5	5,699.7	3,306.4	5,699.7	6,098.7	902.0	7,000.8	1,301.0	22.8%
Tenant Access & Support		12,016.1	12,718.5	12,016.1	15,671.5		15,671.5	3,655.5	30.4%
Housing Stability Services	611,859.4	653,977.9	630,110.9	653,977.9	722,224.0	6,393.9	728,617.9	74,640.0	11.4%
Total Gross Expenditures	648,567.2	865,809.3	767,622.4	865,809.3	989,877.5	9,704.5	999,582.0	133,772.7	15.5%
Net Expenditures	407,182.7	421,623.6	423,310.8	421,623.6	484,206.8	7,411.2	491,618.0	69,994.4	16.6%
Approved Positions**	182.0	250.0	N/A	250.0	250.0	18.0	268.0	N/A	N/A

* 2023 Projection based on 9 Month Variance

**YoY comparison based on approved positions

KEY DRIVERS

Total 2024 Budget expenditures of \$999.582 million gross reflecting an increase of \$133.773 million in spending above 2023 budget, predominantly arising from:

- Increases in Social Housing subsidy and operating costs of new and existing supportive housing units due to the end of federal operating agreements and legislated cost factor increases mandated through the *Housing Services Act*.
- Salaries and benefits increase due to cost-of-living adjustments, anticipated hiring in 2024, and annualization of previously approved 2023 staff initiatives for the EPIC program, in addition to staff complement of 18 new positions required to support growth and program initiatives, including management of the new affordable and supportive homes being delivered.
- Increase in services and rents due to the transfer of several properties from TCHC/TSHC resulting in an increase to the subsidy for non-profit providers.
- \$40.0 million increase in the base Operating Subsidy to TCHC/TSHC to support ongoing operating costs and fiscal sustainability of the organization.

EQUITY IMPACTS OF BUDGET CHANGES

Significant equity impacts: The changes in the Housing Secretariat's 2024 Operating Budget have an overall high-positive equity impact.

New and enhanced investments to the Housing Secretariat's 2024 Operating Budget will increase access to rent-controlled and affordable homes, prevent evictions and increase housing stability for many residents with low-income levels, including Indigenous residents and those from equity-deserving groups including Indigenous and Black residents, seniors, people with disabilities, women, and 2SLGBTQI+ persons, among others. These investments are critical to advancing the City's commitment to the progressive realization of the right to adequate housing by creating more permanent affordable and supportive housing opportunities for people experiencing homelessness, or those at risk of homelessness.

- Investments in the Renter Strategy Team aim to improve access to affordable and RGI housing. Supporting renters is critical to advancing the City's commitment to taking a human rights-based approach to housing. Investments in the Renter Strategy Team will ensure that the over 85,000 applicants on the Centralized

Waiting List are adequately served and supported and that priority groups are able to access safe, secure and adequate housing.

- Increased investments to increase RGI housing will positively impact those facing the highest levels of housing affordability issues, including single mothers, refugees and Black-led households – all of whom are most likely to be in ‘core housing need’¹ at a rate around 50% higher than the city as a whole, which is already experiencing twice the core housing need level than the average across Canada.
- Investments in Community Housing Anchor Agency Supports will address a root cause of inequities (i.e., lack of access to services and supports). The anchor agencies will support some of the city’s most systemically and structurally marginalized and vulnerable residents, including intersecting communities with complex medical and social needs, such as those experiencing physical illness/pain disabilities (~13% of TCHC/TSHC households) and those experiencing mental health disabilities (~10% of TCHC/TSHC households), to access critical services and supports, and maintain stable tenancies.
- By investing in Business Transformation, the City will ensure adequate oversight and governance of operational and administrative technology systems, this will improve access to, and administration of RGI and affordable rental housing, as well as ensuring other systems needs such as eviction prevention and renters’ services that impact renters, including structurally and systemically vulnerable groups of renters, are properly supported.
- By leveraging the administrative funding available through the Homelessness Prevention Program, the City will be able to adequately administer supportive and affordable housing funding and programs that are critical for the economic and social well-being of equity-deserving groups in Toronto. This investment will ensure that there is an adequate level of service to reduce and prevent experiences of homelessness, particularly among systemically and structurally vulnerable groups.
- Investments in the implementation of the Multi-Tenant Housing (MTH) Program will support the protection of existing and newly legalized multi-tenant homes across the city and thereby support low-income renters. Multi-tenant homes provide affordable rental housing to students and other communities, including equity-deserving groups, whom research shows are overrepresented in multi-tenant housing, including: women and gender diverse people, seniors, newcomers and low-income residents.

¹ Statistics Canada (2021), *Core housing need of private household*, “Core housing need refers to whether a private household’s housing falls below at least one of the indicator thresholds for housing adequacy, affordability or suitability, and would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (attains all three housing indicator thresholds).” [Core housing need of private household \(statcan.gc.ca\)](https://www150.statcan.gc.ca/n1/pub/95-02/2021001/article/00001-eng.htm)
toronto.ca/budget

2024 OPERATING BUDGET KEY COST DRIVERS

The 2024 Net Operating Budget for Housing Secretariat of \$491.618 million is \$69.994 million or 17% greater than the 2023 Net Budget. Table 2 below summarizes the key cost drivers for the 2024 Budget.

Table 2: 2024 Key Cost Drivers

(In \$000s)	2024				2025 Annualized
	Revenues	Gross	Net	Positions**	
2023 Projection*	344,311.6	767,622.4	423,310.8	250.0	N/A
2023 Budget	444,185.7	865,809.3	421,623.6	250.0	N/A
Key Cost Drivers:					
<i>Prior Year Impacts</i>	(18,628.8)	(19,232.6)	(603.8)		2.1
<i>Operating Impacts of Capital</i>					
Leasing costs for Housing Now project team sites	(133.5)	739.9	873.4		15.2
<i>Salary & Benefits</i>					
Collective agreement, COLA, benefits increase		1,614.3	1,614.3		3,775.2
Annualization of new 2023 positions		367.9	367.9		
<i>Non-Salary Inflation</i>					
Economic factor on housing provider subsidies (non-TCHC)		12,869.0	12,869.0		11,156.4
TCHC - Scattered Housing		1,930.0	1,930.0		(1,930.0)
Insurance program		713.5	713.5		713.5
TCHC		40,000.0	40,000.0		
<i>Revenue Decrease</i>					
Social housing funding decline	(9,348.4)	(1,007.8)	8,340.6		10,599.5
Provincial funding programs ending used to fund ongoing positions	(3,273.0)		3,273.0		
<i>Corporate Recoveries</i>					
Corporate Recoveries	7,700.0		(7,700.0)		7,700.0
<i>Other Changes</i>	85,168.7	86,074.0	905.3		(709.4)
Sub Total Key Cost Drivers (Base Budget)	61,485.0	124,068.2	62,583.2	0.0	31,322.6
Affordability Measures:					
Sub Total Affordability Measures				0.0	
New/Enhanced Service Requests					
<i>Council Directed</i>					
Additional RGI units		3,524.3	3,524.3	0.0	3,222.9
Multi-Tenant Housing Program		2,000.0	2,000.0	0.0	
<i>Staff Initiated</i>					
Renter Strategy Team		387.0	387.0	3.0	134.7
Community Housing Anchor Agency Supports	500.0	2,000.0	1,500.0	0.0	1,500.0
Business Transformation	281.6	281.6		4.0	
Homelessness Prevention Program	1,511.7	1,511.7		11.0	
Sub Total New/Enhanced Service Requests	2,293.3	9,704.5	7,411.2	18.0	4,857.6
Total 2024 Budget	507,963.9	999,581.9	491,618.0	268.0	36,180.1
Change from 2023 Budget (\$)	63,778.3	133,772.7	69,994.4	N/A	N/A
Change from 2023 Budget (%)	14%	15%	17%	N/A	N/A

*Based on 9 Month Variance

**YoY comparison based on approved positions

Key Base Drivers:**Operating Impacts of Capital:**

- \$0.740 million in costs associated with leases and site management of pre-development sites.

Salary & Benefits:

- \$1.614 million increase for COLA, collective agreement and annualization of positions added in 2023 to expand the EPIC program.

Non-Salary Inflation:

- \$12.869 million increase for economic factor on subsidies based on 2024 Market Rent Index & Indices for Non-Profit Projects, as required by the *Housing Services Act*.
- \$1.930 million increase for TCHC/TSHC Scattered Housing

- City Council has directed the transfer of TCHC/TSHC owned single family homes, agency homes and multi-tenant houses to the non-profit sector ([2018.EX30.2](#)). In 2024, several properties will be transferred from TCHC/TSHC to the non-profit sector which will result in an increase to the subsidy for non-profit providers.
- \$0.714 million increase for the City's insurance program
- \$40.0 million increase in base operating subsidy for TCHC/TSHC to address ongoing operational cost pressures and to aid in continuing to improve tenants' living conditions. In addition, a further \$33.580 million in one-time funding is reflected in the City's corporate accounts to address one-time cost pressures.

Revenue Decrease:

- \$8.341 million net reduction in Federal social housing funding due to the end of federal operating agreements.
- \$3.273 million net reduction in Provincial funding resulting from the conclusion of the Investment in Affordable Housing Extension (IAHE) and the Social Infrastructure Fund (SIF) programs.

Corporate Recoveries:

- \$7.700 million in corporate recoveries to support the Housing Secretariat's work to achieve the ambitious HousingTO targets.

Other Changes:

- \$0.905 million net increase mainly for Habitat Services, cost shared with the Province, that provide supports to people with serious mental health issues. The purpose of Habitat Services programs is to improve the quality of housing for tenants marginalized by poverty and mental health status.

New and Enhanced Service Priorities:**Table 4: New / Enhanced Requests**

New / Enhanced Request		2024				2025 Annualized Gross	Equity Impact	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions			
In \$ Thousands								
1	Renter Strategy Team		387.0	387.0	3.0	521.7	Medium-positive	Increase access to housing and housing stability
2	Increase RGI Housing		3,524.3	3,524.3		6,747.1	High-positive	Increase access to affordable housing
3	Community Housing Anchor Agency Supports	500.0	2,000.0	1,500.0		3,000.0	High-positive	Increase community safety
4	Business Transformation	281.6	281.6	0.0	4.0	577.4	Medium-positive	Increase access to housing, housing stability and housing affordability
5	Homelessness Prevention Program	1,511.7	1,511.7		11.0	1,529.1	Medium-positive	Increase access to housing, housing stability and housing affordability
6	Multi-Tenant Homes Renovation and Retrofit Program		2,000.0	2,000.0		2,000.0	High-positive	Increase housing stability and affordability
Total New / Enhanced		2,293.3	9,704.5	7,411.2	18.0	14,375.3		

Renter Strategy Team

- Funding of \$0.387 million gross and net will support a Tenant Access & Supports service area to improve renters' access to affordable and RGI housing as well as other City programs that support renters, including eviction prevention services.

Increase RGI Housing

- During the consideration of Urgently Building More Affordable Homes ([EX7.2](#)) in 2023, City Council directed staff to assess preliminary cost estimates and create an implementation framework and action plan to increase RGI rent supplement units. New and enhanced funding of \$3.524 million gross and net will increase the number of RGI units by 1,296, to advance targets set out in the HousingTO Action Plan and improve residents' access to much needed housing.
- The RGI service level is currently 71,350 units and the Housing Secretariat is proposing an increase of 1,296 RGI units.

Community Housing Anchor Agency Supports

- Funding of \$2.000 million gross and \$1.500 million net, will enable a pilot of on-site Anchor Agency support services to be offered in three to five high-needs buildings and will positively impact over 500 households in three communities.
- The proposed Anchor Agency services would be a new City-funded service developed with housing providers. The pilot will allow for on-site services for a period of six months and the budget will cover agencies' staffing and operations costs to offer direct case management supports, community and social supports through teams of case managers and mental health case managers, community animators and through program/operational funding.

Business Transformation

- Funding of \$0.282 million gross, fully funded from the provincial Homelessness Prevention Program (until 2025/2026), will add 4 permanent positions to provide governance and oversight of technology systems to support the existing and growing suite of programs managed by the Housing Secretariat.
- Currently functions proposed to be completed by the new Systems Management Unit are being fulfilled by Toronto Shelter and Support Services IT, the Choice Based Modernization Program team and HSS Managers. The present model is unsustainable, as the project team is temporary, and manages systems within Toronto Shelter and Support Services. Centralizing these functions within the Housing Secretariat and hiring staff with appropriate expertise will ensure comprehensive governance of these systems.

Homelessness Prevention Program

- Funding of \$1.152 million gross, fully funded from the provincial Homelessness Prevention Program as part of the recurring three-year commitment of \$48 million to the City, will make 11 temporary positions permanent, required to adequately administer related services and programs.
- The service level will only be adequate with the 11 permanent positions to ensure there are resources to reliably and accurately administer programs and funding for which the Housing Secretariat is responsible. These positions are required to ensure a reasonable level of service.

Multi-Tenant Homes Renovation Program

- During the consideration of 2023 Housing Action Plan ([CC2.1](#)), City Council directed staff to identify opportunities to negate displacement of tenants of Multi-Tenant Homes. New and enhanced funding of \$2.000 million gross and net will ensure approximately 80 tenant homes are improved and preserved as long-term affordable rental housing for over 20 years, and will protect tenants from eviction and prevent new entries to the City's shelter system.
- The funding will be used to establish a program to support renovations and improvements of Multi-Tenant Homes to support compliance and improved living conditions.

Note:

1. For additional information on 2024 Service Changes please refer to [Appendix 2](#) and [Appendix 3](#) for the 2024 New and Enhanced Service Priorities, respectively.

2025 & 2026 OUTLOOKS**Table 5: 2025 and 2026 Outlooks**

(\$000s)	2024 Budget	2025 Incremental Outlook	2026 Incremental Outlook
Revenues			
Federal/Provincial Grants		(177,513.0)	(17,777.6)
Other Revenue Changes		(42,766.6)	(6,943.2)
Total Revenues	507,964.0	(220,279.6)	(24,720.8)
Gross Expenditures			
Salaries and Benefits		4,225.3	258.3
Other Expenditures		(188,324.7)	(14,077.1)
Total Gross Expenditures	999,582.0	(184,099.5)	(13,818.8)
Net Expenditures	491,618.0	36,180.1	10,902.0
Approved Positions	268.0	268.0	268.0

Key Outlook Drivers

The 2025 Outlook with total gross expenditures of \$815.483 million reflects an anticipated \$184.100 million or 18.4% decrease in gross expenditures below the 2024 Operating Budget. The 2026 Outlooks expects a further decrease of \$13.819 million or 1.7% below 2025 gross expenditures.

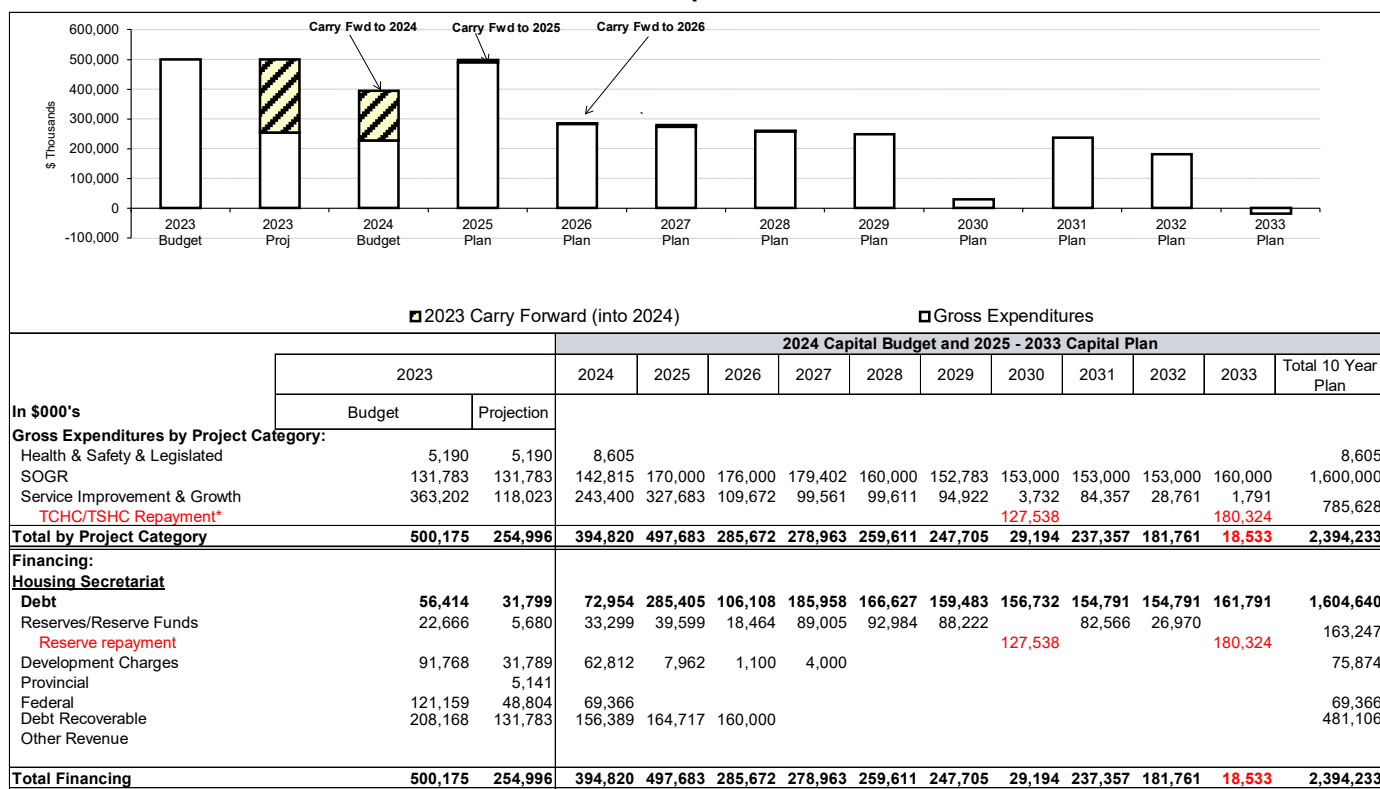
These changes arise from the following:

- **Salary and Benefits:** incremental increases in 2025 are the result of expected decrease in vacancies by the end of 2024, inflationary increases related to step and progression pay, and annualization of new and enhanced positions. Incremental increase in 2026 is the result of inflation increase.
- **Impacts of 2024 decisions:** The annualized impact of additional RGI units.
- **Federal/Provincial Revenues:** Net new revenues from the federal Housing Accelerator Fund have not yet been taken into account. Funding also expected from the province's Homelessness Prevention Program.
- **Ensuring Sustainability:** The MURA funding of \$10 million per year from the Vacant Home Tax, starting in 2025, ensures the sustainability of the program.
- **Other Revenue and Expenditures:** Lower expenditures and revenues in 2025 and 2026 are reflective of a scheduled decline in specific federal social housing funding due to end of operating agreements. Further, there is currently a decline in revenue as a result of no future commitment from the federal government to continue to invest in future phases of the Rapid Housing Initiative; this will impact the City's ability to build and deliver supportive housing.

2024 – 2033 CAPITAL BUDGET AND PLAN

2024 – 2033 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview



* The TCHC/TSHC Repayment reflects the cash inflows anticipated from completed TCHC/TSHC development projects that will be used to reimburse the City's reserve for upfront cashflows provided, of which the timing and amount will be reassessed at each budget cycle.

Changes to Existing Projects (\$576.6 Million)

The 2024-2033 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2024-2032).

- \$6.3 million for Taking Action on Tower Renewal Program.
- \$387.9 million for City-led Development, including rental development and supportive housing.
- \$182.4 million of funding commitments for TCHC/TSHC 10-year plan in-flight development projects.

New Projects (\$163.5 Million)

The 2024-2033 Capital Budget and Plan includes new projects. Key projects are as follows:

- \$3.5 million for the Choice Based Integrated System (phase 3) project to support RGI and Affordable housing access, and RGI administration.
- Continued \$160.0 million in 2033 for State of Good Repair Funding for TCHC/TSHC to maintain its existing social housing stock in good condition and prevent unit closures.

Capital Needs Constraints (\$4.91 billion)


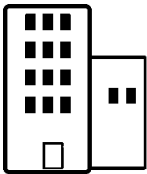


The Housing Secretariat has significant unmet funding needs over the 10-year planning horizon:

- \$3.431 billion for City-led Development
- \$478.2 million for TCHC/TSHC Building Repair Capital
- \$999.1 million for TCHC/TSHC Development Capital

Note:

For additional information, please refer to [Appendix 5](#) for a more detailed listing of the 2024 and 2025-2033 Capital Budget & Plan by project; [Appendix 6](#) for Reporting on Major Capital Projects – Status Update; [Appendix 7](#) for Capacity to Spend Review; and [Appendix 8](#) for Capital Needs Constraints, [Appendix 9](#) for Capital Program Provincial/Federal Funding Streams by Projects, respectively.

2024 – 2033 CAPITAL BUDGET AND PLAN**\$2.394 Billion 10-Year Gross Capital Program*****

				
	TCHC/TSHC SOGR and Other Supports ✓	City-led Rental Development ✓	Tower Renewal ✓	Choice Based Housing Access System
Funded	\$1,807.4 M ¹ 75%	\$567 M 24%	\$13.5 M	\$6.3 M
	This includes: the cost of maintaining assets to ensure that they are able to support the delivery of City services and meet service outcomes; State of Good Repair Funding for TCHC/TSHC is necessary for it to be able to maintain its existing social housing stock in good condition; and funding for development projects and cybersecurity.	The City aims to lead and support the development of 65,000 affordable rental homes by 2030.	This program aims to improve housing conditions for residents by delivering holistic retrofit investments at older apartment buildings in Neighbourhood Improvement Areas, low-income census tracts and areas with low socio-economic indicators across Toronto.	This program incorporates new technology that modernizes Centralized Waiting List administration; improves the housing allocations process by utilizing Choice Based letting; and provides the City with oversight of social housing providers with the creation of tenant portal.

✓ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

*Information above includes full project / sub-project 2024-2033 Capital Budget and Plan cash flows. It does not break out the climate component costs separately.

** This chart does not reflect the unfunded portion of the Housing Secretariat's capital plan, discussed above.

¹ \$1.600 billion towards TCHC/TSHC building repairs (SOGR) and \$198.796 million towards TCHC/TSHC in-flight development capital over the 10-year period from 2024 to 2033, in addition to \$8.605 million towards critical TCHC/TSHC capital IT costs is reflected in Housing Secretariat.

- The Housing Secretariat's capital plan faced challenges primarily due to escalated construction costs, high interest rates, unfavourable financing conditions, supply chain issues and labour shortages.
- The Taking Action on Tower Renewal program has experienced delays that reflect the time needed to establish the Taking Action on Tower Renewal Program. The City received Expressions of Interest mid 2023, and has now moved to the second phase of proponent evaluation for many of the submissions. For proponents, this second phase includes performing energy audits and securing pertinent board approvals which require longer lead times.
- The Housing Now Initiative experienced delays primarily as a result of market factors, including shortage of labour and materials, increasing interest rates, escalating construction costs and changes to provincial and

federal funding and financing policies and programs. For 2024, Housing Secretariat expects construction to commence on at least three Housing Now projects.

- City-led Development projects experienced delays in 2023. Delays in the pre-construction work for these projects were primarily due to market conditions (including shortage of labour and materials, increasing interest rates and escalating construction costs). These conditions continue to challenge the financial viability of various affordable housing projects resulting in project slow downs and in some cases, changes to original plans. Most notably, changes in provincial policies required wholesale changes to City affordable housing programs. This has resulted in programs being put on hold throughout 2023, including the city's hallmark Open Door Program. The Housing Secretariat will be returning to Council in Q1/Q2 of 2024 with renewed program reports in order to reopen and facilitate the movement of the affordable rental pipeline.
- Supportive Housing projects are funded by Modular Housing Initiative (MHI), Rapid Housing Initiative (RHI) and Emergency Housing Initiative (EHI). Modular projects are experiencing delays due to site and market conditions (labour and material availabilities) and the majority will be completed in 2024, with all projects completed by 2025. Funding from RHI, and EHI will continue to fund the supportive housing projects until project completion.

How the Capital Program is Funded

City of Toronto		Federal Funding	
\$2311.1 M 97%		\$82.9 M 3%	
Debt	\$1,604.6 M	Rapid Housing Initiative	\$ 69.4 M
Recoverable Debt	\$ 467.6 M	Tower Renewal*	\$13.5 M
Reserve / Reserve Fund	\$163.2 M		
Development Charges	\$75.9 M		

*Tower Renewal is identified as recoverable debt however will receive Federal funding upon completion.

Notes:

- 1) Bill 23 impacts the City's ability to recover the costs associated with growth-related infrastructure projects and to support complete higher density communities across Toronto.
- 2) A portion of the City's capital program is delivered through the Operating Budget. The above chart only refers to the Capital Budget.
- 3) An additional \$93.9 million in Federal funding for the RHI Projects Stream is in the Housing Secretariat's 2024 and 2025 Operating Budgets.

STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

Please refer to the 2024 Budget Notes for Toronto Community Housing Corporation and Toronto Seniors Housing Corporation.

OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The 10-Year Capital Plan will impact the future year Operating Budget for Housing Secretariat by \$2.122 million net over the 2024-2033 period arising from the completion of the development projects at 1430 Gerrard and 805 Wellington, as shown in Table 6 below.

Table 6: Net Operating Impact Summary

Projects	2024 Budget		2025 Plan		2026 Plan		2027 Plan		2028 Plan		2024-2028		2024-2033	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
Previously Approved														
Rental Operating Costs (1430 Gerrard & 805 Wellington Lease)	595.9		609.7		494.7						1,700.3		1,700.3	
Rental/Lease (1430 Gerrard & 805 Wellington Lease)	144.0		145.5		132.7						422.2		422.2	
Sub-Total: Previously Approved	739.9		755.2		627.4						2,122.5		2,122.5	
New Projects - 2024														
Sub-Total: New Projects - 2024														
New Projects - Future Years														
Sub-Total: New Projects - Future Years														
Total (Net)	739.9		755.2		627.4						2,122.5		2,122.5	

Previously Approved projects

- The 2024 operating costs have been included in the 2024 Operating Budget for Housing Secretariat. The division will require additional operating funding of \$0.740 million net mainly for leases and site management.
- Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

APPENDICES

Appendix 1

2024 Operating Budget by Category

Category (In \$000s)	2021 Actual	2022 Actual	2023 Budget	2023 Projection*	2024 Budget	2024 Change from 2023 Budget		2024 Change from 2023 Projection	
	\$	\$	\$	\$	\$	\$	%	\$	%
Provincial Subsidies	61,228.0	107,979.3	150,085.4	124,481.7	136,992.0	(13,093.3)	(8.7%)	12,510.3	10.0%
Federal Subsidies	103,530.9	117,981.8	226,855.8	156,660.3	290,497.8	63,642.0	28.1%	133,837.5	85.4%
Transfers From Capital	2,545.9	256.7	2,248.2	1,319.6	2,114.8	(133.5)	(5.9%)	795.1	60.3%
Contribution From Reserves/Reserve Funds	11,327.8	15,086.5	64,936.3	61,800.0	78,294.4	13,358.1	20.6%	16,494.5	26.7%
Sundry and Other Revenues	70.2	71.4	50.0	50.0	55.0	5.0	10.0%	5.0	10.0%
Inter-Divisional Recoveries	136.4	8.9	(10.0)		10.0	20.0	(200.0%)	10.0	
Total Revenues	178,839.1	241,384.6	444,165.7	344,311.6	507,964.0	63,798.3	14.4%	163,652.4	47.5%
Salaries and Benefits	14,195.4	18,957.7	27,709.7	23,719.1	31,136.6	3,426.8	12.4%	7,417.4	31.3%
Materials & Supplies	2.0	29.9	96.3	65.4	78.9	(17.4)	(18.1%)	13.6	20.7%
Equipment	68.5	188.2	214.6	243.8	319.6	105.0	48.9%	75.8	31.1%
Service and Rent	13,395.5	20,250.2	23,129.6	22,085.4	50,168.8	27,039.2	116.9%	28,083.4	127.2%
Contribution To Reserves/Reserve Funds	12,043.6	365.6	422.6	348.4	1,136.1	713.5	168.8%	787.8	226.1%
Other Expenditures	507,076.5	605,141.8	811,326.8	718,245.7	915,458.5	104,131.7	12.8%	197,212.8	27.5%
Inter-Divisional Charges	211.4	3,633.9	2,909.6	2,914.7	1,283.4	(1,626.1)	(55.9%)	(1,631.2)	(56.0%)
Total Gross Expenditures	546,992.8	648,567.2	865,809.3	767,622.4	999,582.0	133,772.7	15.5%	231,959.6	30.2%
Net Expenditures	368,153.7	407,182.7	421,643.6	423,310.8	491,618.0	69,974.4	16.6%	68,307.2	16.1%

*Projection based on 9 Month Variance

Appendix 2

Summary of 2024 Service Changes

N/A

Appendix 3



2024 Tabled Operating Budget - New and Enhanced Service Priorities
Summary by Service (\$000's)

Form ID			Community and Social Services	Adjustments				2025 Plan Net Change	2026 Plan Net Change
Category	Equity	Impact		Gross Expenditure	Revenue	Net	Approved Positions		
			Program - Housing Secretariat						

30414	Renter Strategy Team															
74	Positive	<p>Description:</p> <p>The proposal is to enhance 'Service Area 4 – Tenant Access & Supports' in the Housing Secretariat's organizational structure and to improve renters' access to affordable housing and City programs that support renters, including eviction prevention services.</p> <p>The Housing Secretariat is proposing to create three (3) new FTEs, to be funded by tax base.</p> <p>Service Level Impact:</p> <p><u>Current</u></p> <ul style="list-style-type: none">•Service Area 4 – Tenants Access & Supports was created in 2023 through the budget process with limited resources. <p><u>Future</u></p> <ul style="list-style-type: none">•This enhanced Service Area will be able to advance key strategic priorities and improve residents' access to affordable and RGI housing opportunities, as well as other renter programs. <p>Equity Statement:</p> <p>The Renter Strategy Team budget proposal's overall equity impact is medium positive. Improving access to affordable and Rent-Geared-to-Income (RGI) housing and supporting renters is critical to advancing the City's commitment to taking a human rights-based approach to housing, which includes actions to advance the progressive realization to the right to adequate housing for its residents. This proposed action will ensure that the over 85,000 applicants on the Centralized Waiting List are properly served and supported and that priority groups, including: Indigenous peoples, victims of abuse and human trafficking, those who are terminally ill, those who are experiencing homelessness, including newcomers experiencing homelessness, families separated due to unsuitable housing, and youth who are 16 or 17 years old, among other equity-deserving groups, are able to access safe, secure and adequate housing.</p> <p>Service: Housing System Policy & Strategy</p> <table><tr><td>Total Tabled Budget Changes:</td><td>387.0</td><td>0.0</td><td>387.0</td><td>3.00</td><td>134.7</td><td>2.1</td></tr><tr><td>Tabled New/Enhanced Service Priorities:</td><td>387.0</td><td>0.0</td><td>387.0</td><td>3.00</td><td>134.7</td><td>2.1</td></tr></table>	Total Tabled Budget Changes:	387.0	0.0	387.0	3.00	134.7	2.1	Tabled New/Enhanced Service Priorities:	387.0	0.0	387.0	3.00	134.7	2.1
Total Tabled Budget Changes:	387.0	0.0	387.0	3.00	134.7	2.1										
Tabled New/Enhanced Service Priorities:	387.0	0.0	387.0	3.00	134.7	2.1										

Appendix 3 (continued)

Form ID		Community and Social Services Program - Housing Secretariat	Adjustments				2025 Plan Net Change	2026 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		

30453	Community Housing Anchor Agency Supports
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74	Positive	Description:
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The proposal is for funding of \$2.0 million to fund Anchor Agency services in 3-5 high-needs buildings that will: i) provide an on-site presence and offer a variety of supports including case management, social supports, and connection to community organizations and other health and social service providers, ii) complete a community mapping process to determine gaps in services available to the community and respond to those gaps, iii) provide case management and community support through an interdisciplinary team that is flexible and responsive to the specific community needs, and iv) develop a strategy for community safety that employs "Community Safety Team" best practices including a community presence outside the buildings. Anchor agency staff will be connected to the on-site staff and assist with housing stability and conflict resolution in a seamless manner.

Service Level Impact:

The proposed Anchor Agency services would be a new City-funded service developed in partnership with housing providers. The City does not currently directly fund Anchor Agency services.

The proposed budget of \$2 million will allow for on-site services to be offered in three high-needs buildings for a period of six months and will positively impact over 500 households in three communities. The budget will cover the agencies' staffing and operations costs to offer direct case management supports to individual households, as well as community and social supports to the broader building, provided through teams of case managers/mental health case managers, community animators, as well as through program/operational funding.

Equity Statement:

The Community Housing Anchor Agency Supports budget proposal's overall equity impact is high positive. This proposed action addresses a root cause of inequities (i.e., lack of access to services and supports). The Anchor Agencies will support some of the city's most systemically and structurally vulnerable residents, including those with complex medical and social needs. This proposed action will positively impact intersecting populations of low-income individuals, including those experiencing physical illness/pain disabilities (representing approximately 13% of TCHC households) and those experiencing mental health disabilities (representing approximately 10% of TCHC households), to access critical services and supports. Further, this proposal will support those transitioning from homelessness to housing, to support stable tenancies and wellness outcomes.

Service: Housing Stability Services

Total Tabled Budget Changes:	2,000.0	500.0	1,500.0	0.00	3,000.0	3,000.0
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Tabled New/Enhanced Service Priorities:	2,000.0	500.0	1,500.0	0.00	3,000.0	3,000.0
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Appendix 3 (continued)

30451	Increase RGI units
74	Positive
Description:	
<p>The proposal is to increase the number of Rent-Geared-to-Income (RGI) units by 1,296, to advance targets set out in the HousingTO Action Plan and improve residents' access to much needed housing.</p> <p>An efficient mechanism to achieve increases in the RGI stock is to leverage opportunities created by the development of new affordable housing and through renewed agreements with existing providers. Funding programs focused on the creation of affordable housing require that units developed under these programs must be at or below AMR for the term of the funding agreement. These requirements allow the City to secure RGI housing at more cost-effective rates than in the private market and provide a consistent pipeline of supply.</p>	
Service Level Impact:	
<u>Current</u>	
•The RGI service level is currently 71,350, units.	
<u>Future</u>	
•The Housing Secretariat is proposing an increase of 1,296 RGI units.	
•The operational cost to maintain the current service level is \$494.5M.	
•The incremental cost associated with the increase is \$3.5M; and	
•This cost would be subject to annual cost factor increases.	
Equity Statement:	
<p>The Increase RGI Housing budget proposal's overall equity impact is high positive. This action aims to support those facing the highest levels of housing affordability issues, including refugees, single mothers and Black-led households, who are most likely to be in Core Housing Need in Toronto, at a rate around 50% higher than the community as a whole. By increasing the RGI Service Level, the City will be supporting equity-deserving groups who are disproportionately impacted by the lack of affordable housing in Toronto, to prevent eviction and experiences of homelessness and ensure that these populations access and maintain safe, stable and adequate housing.</p>	
Service: Housing Stability Services	
Total Tabled Budget Changes:	3,524.3 0.0 3,524.3 0.00 3,222.9 485.0
Tabled New/Enhanced Service Priorities:	3,524.3 0.0 3,524.3 0.00 3,222.9 485.0

Appendix 3 (continued)

Form ID		Community and Social Services Program - Housing Secretariat	Adjustments				2025 Plan Net Change	2026 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
30467		Business Transformation						
74	Positive	Description: This proposal seeks to support necessary business transformation in the Housing Secretariat, specifically to support the establishment of adequate governance and oversight of the increasingly complex technology systems that support the Housing Secretariat in delivering its existing and growing suite of programs, including investments to: i) modernize RGI administration through implementing Waitlist Management System for RGI and Affordable Housing, and Housing Provider RGI Compliance Portal, ii) ensure equitable access, particularly to those impacted by the digital divide, iii) ensure appropriate management of grants and payment systems and iv) support tracking and monitoring of HS capital projects. Service Level Impact: Presently, functions proposed to be completed by a new Systems Management unit are being fulfilled in part by SSHA-IT, the Choice Based Modernization Project team, and in part by HSS Managers. The present model is not sustainable as the project team is temporary and SSHA-IT is managing systems within SSHA, including Shelter Management Information System (SMIS). TGRIP and SHAS are presently managed by specific staff or HSS managers, who manage access rights and troubleshooting in addition to their regular workload. Centralizing these functions within the Housing Secretariat and hiring staff with appropriate expertise in the area of IT will ensure comprehensive governance of these systems. Equity Statement: The Business Transformation budget proposal's overall equity impact is medium positive. By ensuring adequate oversight and governance of operational and administrative technology systems, this will improve access to, and administration of Rent-Geared-to-Income (RGI) and Affordable Housing, as well as ensuring other systems needs that impact renters, such as eviction prevention and renters' services are properly supported. This proposed action will ensure that the over 85,000 applicants on the Centralized Waiting List are properly served and supported and that priority groups, including: Indigenous peoples, victims of abuse and human trafficking, those who are terminally ill, those who are experiencing homelessness, including newcomers experiencing homelessness, families separated due to unsuitable housing, and youth who are 16 or 17 years old, are able to access safe, secure and adequate housing. This action will support access and maintenance of safe, secure and adequate homes for equity-deserving groups in Toronto, such as Indigenous peoples, Black and other racialized people, low-income households, among others. Service: Housing Stability Services						
Total Tabled Budget Changes:			281.6	281.6	0.0	4.00	(0.0)	0.0
Tabled New/Enhanced Service Priorities:			281.6	281.6	0.0	4.00	(0.0)	0.0

Appendix 3 (continued)

Form ID		Community and Social Services Program - Housing Secretariat	Adjustments				2025 Plan Net Change	2026 Plan Net Change																					
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions																							
30469		Homelessness Prevention Program																											
74	Positive	Description:																											
<p>The proposal is to use administrative funding available through the provincial Homelessness Prevention Program (HPP) to permanently fund an additional 11 FTEs, currently funded as temporary staff, who are required to adequately administer the increased funding and programs for which the expanded Housing Secretariat is now responsible.</p> <p>Service Level Impact:</p> <p><u>Current</u></p> <p>•Currently, the service level is not adequate without the delegated authority positions, to reliably and accurately administer programs and funding for which the Housing Secretariat is responsible.</p> <p><u>Future</u></p> <p>•The service level will only be adequate with the delegated authority positions to ensure there are resources available to reliably and accurately administer programs and funding for which the Housing Secretariat is responsible. These positions are permanently required to ensure a reasonable level of service.</p> <p>Equity Statement:</p> <p>The Homelessness Prevention Program's budget proposal's overall equity impact is medium positive. By utilizing the increased provincial funding through the Homelessness Prevention Program, the City will be able to adequately administer supportive and affordable housing funding and programs that are critical for the economic and social well-being of equity-deserving groups in Toronto. This action will ensure that there is an adequate level of service to reduce and prevent experiences of homelessness, particularly among systemically and structurally vulnerable groups, including Indigenous peoples, Black residents and other equity-deserving groups in the city.</p> <p>Service: Housing Stability Services</p> <table><tr><td>Total Tabled Budget Changes:</td><td>588.1</td><td>1,511.7</td><td>(923.6)</td><td>5.00</td><td>(8.1)</td><td>(4.4)</td></tr></table> <p>Service: Housing Development, Revitalization & Improvement</p> <table><tr><td>Total Tabled Budget Changes:</td><td>408.5</td><td>0.0</td><td>408.5</td><td>2.67</td><td>5.9</td><td>2.0</td></tr></table> <p>Service: Housing System Policy & Strategy</p> <table><tr><td>Total Tabled Budget Changes:</td><td>515.1</td><td>0.0</td><td>515.1</td><td>3.33</td><td>2.2</td><td>2.4</td></tr></table>									Total Tabled Budget Changes:	588.1	1,511.7	(923.6)	5.00	(8.1)	(4.4)	Total Tabled Budget Changes:	408.5	0.0	408.5	2.67	5.9	2.0	Total Tabled Budget Changes:	515.1	0.0	515.1	3.33	2.2	2.4
Total Tabled Budget Changes:	588.1	1,511.7	(923.6)	5.00	(8.1)	(4.4)																							
Total Tabled Budget Changes:	408.5	0.0	408.5	2.67	5.9	2.0																							
Total Tabled Budget Changes:	515.1	0.0	515.1	3.33	2.2	2.4																							
Tabled New/Enhanced Service Priorities:			1,511.7	1,511.7	0.0	11.00	0.0	0.0																					

Appendix 3 (continued)

Form ID		Community and Social Services Program - Housing Secretariat	Adjustments				2025 Plan Net Change	2026 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		

30636	Multi-Unit Residential Program
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74	Positive	Description:
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Increase funding for the MURA program by \$10 million annually from 2025-2026

Service Level Impact:Current

•Currently, the Housing Secretariat will not be able to fund additional affordable rental units through MURA.

Future

•A \$10M allocation is estimated to fund 60 new affordable rental units through the MURA program.

Equity Statement:

The Increase to MURA budget proposal's overall equity impact is high positive. Working with non-profit and Indigenous housing providers to acquire at-risk market rental properties provides an opportunity to protect the existing supply of homes as affordable rental housing in the long-term. Creating new, permanent affordable rental homes through the acquisition of at-risk market will also increase the opportunity for structurally and systemically disadvantaged groups, including Indigenous Peoples, Black people and other racialized groups, seniors, women and gender diverse people, and members of the 2SLGBTQ+ community, to access safe, healthy and adequate housing.

Tabled New/Enhanced Service Priorities:

0.0 0.0 0.0 0.00 10,000.0 10,000.0

Form ID		Community and Social Services Program - Housing Secretariat	Adjustments				2025 Plan Net Change	2026 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		

30745	Multi-Tenant Homes Renovation Program
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74	Positive	Description:
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The proposal is to invest \$2 million in the MTH program for 2024 and 2025 to support the early implementation of the MTH Framework. Specifically, the funding will be used to establish a program to support renovations and improvements of multi-tenant homes to support compliance and improved living conditions.

Service Level Impact:Current

•The Housing Secretariat cannot currently fund a new housing renovation and improvement program, to support the implementation of the MTH Regulatory Framework.

Future

•A \$2M allocation is estimated to fund approximately 80 new affordable rental units per year.

Equity Statement:

The Multi-Tenant Housing Program budget proposal's overall equity impact is medium positive. Multi-tenant homes are some of the most deeply affordable, naturally occurring rental housing in Toronto. These buildings provide affordable housing for equity-deserving groups including those exiting homelessness, seniors, youth, racialized residents, newcomers, and people with low-income levels. Providing funding to this program will enable the City to protect these tenants' homes and ensure that these vulnerable residents have stable housing and do not experience homelessness and the City's shelter system.

Service: Housing Development, Revitalization & Improvement

Total Tabled Budget Changes: 2,000.0 0.0 2,000.0 0.00 0.0 0.0

Tabled New/Enhanced Service Priorities:

2,000.0 0.0 2,000.0 0.00 0.0 0.0

Appendix 4

Summary of 2024 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 5

2024 Capital Budget; 2025 - 2033 Capital Plan Including Carry Forward Funding

(In \$000s)	2024 Budget	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2024 - 2033 Total	Health & Safety & Legislated	SOG	Growth & Improved Service
Taking Action on Tower Renewal Program	6,754	6,754									13,508			13,508
Choice Based Housing Access System	3,362	2,200	738								6,300			6,300
Emergency Housing Action Construction	44,692	1,630									46,322			46,322
Housing Now	36,778	266,084	70,581	6,556	6,627	6,700	3,732	1,791	1,791	1,791	402,431			402,431
Modular Housing Construction	3,752										3,752			3,752
Rapid Housing 3	69,366	3,642									73,008			73,008
Rental Development	32,091	4,320	1,100	4,000							41,511			41,511
TCHC/TSHC Building Repair Capital	142,815	170,000	176,000	179,402	160,000	152,783	153,000	153,000	153,000	160,000	1,600,000		1,600,000	
TCHC/TSHC- DEVELOPMENT - IN-FLIGHT	46,605	43,053	37,253	89,005	92,984	88,222		82,566	26,970		198,796			198,796
TCHC/TSHC Repayment*							127,538			180,324				
TCHC/TSHC IT Capital	8,605										8,605	8,605		
	394,820	497,683	285,672	278,963	259,611	247,705	29,194	237,357	181,761	18,333	2,394,233	8,605	1,600,000	785,628

* The TCHC/TSHC Repayment reflects the cash inflows anticipated from completed TCHC/TSHC development projects that will be used to reimburse the City's reserve for upfront cashflows provided, of which the timing and amount will be reassessed at each budget cycle.

☑ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction

☑ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

**Information above includes full project / sub-project 2024-2033 Budget and Plan cash flows. Does not break out the climate component costs separately.

Appendix 5a

2024 Cash Flow and Future Year Commitments Including Carry Forward Funding

(In \$000s)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total 2024 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
Taking Action on Tower Renewal Program	6,754	6,754									13,508	7,191	6,317	
Choice Based Housing Access System	3,362	2,200	738								6,300	2,800		3,500
Emergency Housing Action Construction	44,692	1,630									46,322	46,322		
Housing Now	36,778	266,084	70,581	6,556	6,627	6,700	3,732	1,791	1,791	1,791	402,431	39,094	363,337	
Modular Housing Construction	3,752										3,752	3,752		
Rapid Housing 3	69,366	3,642									73,008	57,736	15,272	
Rental Development	32,091	4,320	1,100	4,000							41,511	32,231	9,280	
TCHC/TSHC Building Repair Capital	142,815	170,000	176,000	179,402	160,000	152,783	153,000	153,000	153,000	160,000	1,600,000	1,440,000		160,000
TCHC/TSHC- DEVELOPMENT - IN-FLIGHT	46,605	43,053	37,253	89,005	92,984	88,222					198,796	16,400	182,396	
TCHC/TSHC Repayment*							127,538	82,566	26,970	180,324				
TCHC/TSHC IT Capital	8,605										8,605	8,605		
Total Expenditures (including carry forward from 2023)	394,820	497,683	285,672	278,963	259,611	247,705	29,194	237,357	181,761	18,233	2,394,233	1,654,131	576,602	163,500

* The TCHC/TSHC Repayment reflects the cash inflows anticipated from completed TCHC/TSHC development projects that will be used to reimburse the City's reserve for upfront cashflows provided, of which the timing and amount will be reassessed at each budget cycle.

Appendix 5b

2025 - 2033 Capital Plan

N/A-no new projects added with only future years' funding

Appendix 6

Reporting on Major Capital Projects: Status Update

Division/Project name		2023 Cash Flow (Active Projects)			Total Project Cost (Active Projects)		Status	Start Date	End Date		On Budget	On Time
		Appr.	YTD Spend	YE Project Spend	Appr. Budget	Life to Date			Planned	Revised		
Housing Secretariat												
Housing Now		53,183	5,666	14,663	502,343	20,067	Significant Delay	Jan-19	Dec-25	Dec-29	®	®
	Comments:	The Housing Now Initiative is a key program under the HousingTO 2020-2030 Action Plan aimed at creating new affordable rental housing within mixed-income, transit rich, complete communities. Creating new affordable housing through the Housing Now Initiative will increase the opportunity for structurally vulnerable and marginalized individuals, including indigenous peoples, black people, people of colour, seniors, women, and members of the LGBTQ2S+ community to access safe, healthy and adequate homes. More housing opportunities for essential workers and families will also be created through the Housing Now Initiative. Between 2020 and 2030, the Housing Now Initiative aims to deliver 10,000 new affordable rental homes within transit-oriented, mixed-income, mixed-use, complete communities by leveraging City-owned land.										
	Explanation for Delay:	Many of the activities planned to support pre-development work for 27 sites were able to move forward. However, some projects were delayed primarily as a result of market factors, including shortage of labour and materials, increasing interest rates and escalating construction costs.										
Supportive Housing		248,767	26,531	53,824	578,227	403,009	Significant Delay	various	various	various	⚠	®
	Comments:	The program is providing permanent, affordable rental housing with support services on-site primarily for homeless people. Between 2020 and 2030, the City aims to approve 18,000 new supportive homes, to be delivered through partnerships with the federal and provincial governments. This target includes 1,000 modular supportive homes. Supported Housing Development are funded by Modular Housing Initiative (MHI), Rapid Housing Initiative (RHI), and Emergency Housing Action (EHI).										
	Explanation for Delay:	Supportive Housing projects are funded by Modular Housing Initiative (MHI), Rapid Housing Initiative (RHI) and Emergency Housing Initiative (EHI). Modular projects are experiencing delays due to site and market conditions (labour and material availabilities) and the majority will be completed in 2023, with all projects completed by 2025. Funding from RHI, and EHI will continue to fund the supportive housing projects until project completion.										

On/Ahead of Schedule
Minor Delay < 6 months
Significant Delay > 6 months

® >70% of Approved Project Cost
Y Between 50% and 70%
® < 50% or > 100% of Approved Project Cost

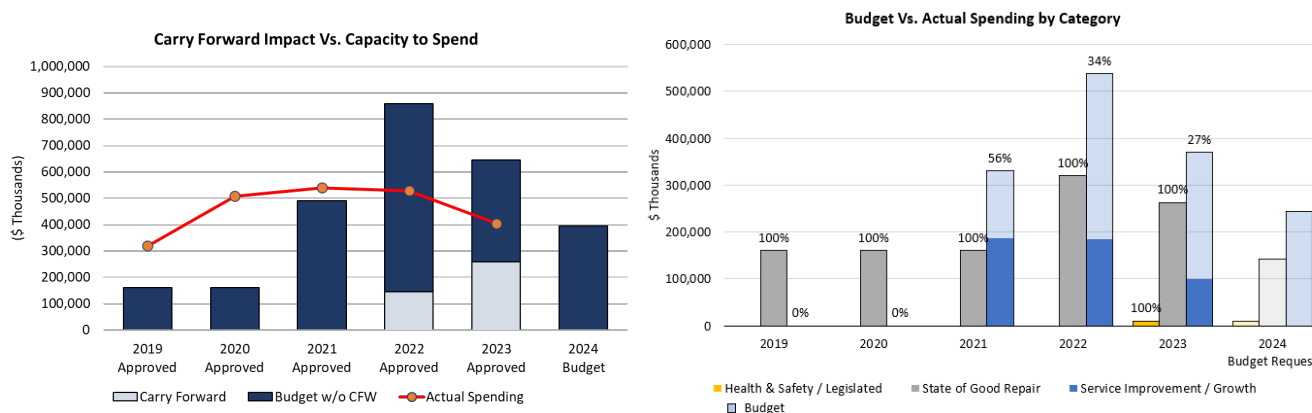
Appendix 7

Capacity to Spend Review

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with Housing Secretariat's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 3 below) as well as the level of projected 2023 underspending that will be carried forward into 2024 to complete capital work.

Chart 3 – Capacity to Spend



Capacity to Spend Review Impact on the 10-Year Plan

- Housing Secretariat's actual spending over the previous five years, from 2019 to 2023, has averaged \$103.092 million per year or 67%. Delays are primarily due to escalated construction costs, high interest rates, unfavourable financing conditions, supply chain issues and labour shortages.
- The projected spending for 2023 is \$254.996 million or 51% of the 2023 Council Approved Capital Budget. The unspent cash flow funding of \$183.882 million has been carried forward into future years to continue and complete the required capital work.

Based on the review of historical capital spending constraints and a capacity to spend review, \$166.531 million in capital spending originally cash flowed in 2023 has been deferred to 2024, with an additional \$7.978 million deferred to 2025, and \$9.373M deferred to 2026-2028. Adjustments to the Capital Plan are noted below:

- Tower Renewal cashflows of \$7.191 million deferred from 2023, \$6.754 million to 2024 and \$437 thousand to 2025.
- Strategic City Acquisitions cashflows of \$11.500 million have been moved to Housing Secretariat's 2024 Operating Budget for the MURA program, which funds non-profit agencies to purchase and convert private market rental housing units to permanently affordable rental homes. The cashflows for this program have been reclassified as grants to third parties under the 2024 operating budget. (MURA can also be used to support City acquisitions of at-risk properties.)
- A total of \$106.180 million cashflows for Supportive Housing has been deferred from 2023 to 2024, primarily due to delays in the following projects: Rapid Housing Initiative (RHI) (\$57.736 million), Emergency Housing Initiative (EHI) (\$44.692 million), and Modular Housing Initiative (MHI) (\$3.752 million). An additional \$1.630 million deferred to 2025.
- Choice Based Housing Access System cashflows of \$2.800 million deferred from 2023 to 2024.
- Housing Now cashflows of \$31.450 million deferred from 2023 to 2024. An additional \$2.271 million deferred to 2025, and \$5.373 million deferred to 2026-2028.
- Development cashflows of \$17.091 million deferred from 2023 to 2024. An additional \$3.640 million deferred to 2025; and \$4.00 million deferred to 2027.

Appendix 8

Summary of Capital Needs Constraints

Project Description	Total Project	Non Debt Funding	Debt Required	Cash Flow (In \$ Thousands)									
				2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
NOT INCLUDED													
<i>Housing Now - Future Phases 2026-2030</i>	682,697	682,697				3,583	104,636	194,707	193,147	186,624			
<i>Housing Now - Unfunded Others</i>	601,575	601,575				193,029	314,287	94,259					
<i>Rental Development - Unfunded</i>	199,670	199,670			83,878	65,159	44,763	5,870					
<i>Supportive Housing - Unfunded</i>	1,946,853	1,946,853			216,317	216,317	216,317	216,317	216,317	216,317	216,317	216,317	216,317
<i>TCHC/TSHC Building Repair Capital - Additional Request</i>	478,217		478,217					75,000	82,217	82,000	82,000	82,000	75,000
<i>TCHC/TSHC - DEVELOPMENT CAPITAL- NOT IN FLIGHT</i>	999,100		999,100		8,500	36,500	260,900	114,700	58,900	50,000	162,700	223,200	83,700
Total Needs Constraints (Not Included)	4,908,112	3,430,795	1,477,317		308,695	514,588	940,903	700,853	550,581	534,941	461,017	521,517	375,017

In addition to the tabled 10-Year Capital Plan of \$2.394 billion, staff have also identified \$4.908 billion in capital needs constraints for the Housing Secretariat as reflected in the table above.

- Increased investment is required to achieve the Housing Secretariat's Capital Plan, including the delivery of new affordable and supportive rental housing. Identified capital projects will not proceed without increased capital investment.

Funding and financing requirements to achieve 65,000 housing units

Source	Total required (\$Bs)	Annual contribution required (\$Bs)
Provincial financing/repayable loans	\$6.5-7.0	\$0.09-1.0
Federal financing/repayable loans	\$6.5-7.0	\$0.09-1.0
Developer partner contribution/equity	\$2.5-3.4	\$0.4-0.5
Provincial contribution/funding	\$5.5-6.0	\$0.8-0.86
Federal contribution/funding	\$5.5-6.0	\$0.8-0.86
City contribution/funding	\$3.5-4.0	\$0.50-0.6

Appendix 9

Capital Program Provincial/Federal Funding Streams by Project (in 000's)

(In \$000s)	Intergovernmental Funding Program	Provincial Funding	Federal Funding	Total Funding
Rapid Housing Initiative Phase 3			69,366	69,366
Taking Action on Tower Renewal Program*			13,508	13,508
Total Funding			82,874	82,874

*This is a federally funded program; however, recoverable debt is used to fund projects until completion and federal funds are expected upon project completion

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2024 Operating Budget

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		117,773	23,881	8,461
Development Charges Reserve Fund - Subsidized Housing	XR2116			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 31,566	- 7,536	- 1,894
<i>Housing Secretariat ~ Withdrawals - Capital</i>		- 62,812	- 7,962	- 1,100
Total Withdrawals		- 94,378	- 15,498	- 2,994
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>				
<i>Interest Income</i>		486	78	
Total Contributions		486	78	-
Total Reserve/ Reserve Fund Draws / Contributions		23,881	8,461	5,467
Other Program / Agency Net Withdrawals & Contributions		-	-	-
Balance at Year-End		23,881	8,461	5,467

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		37,466	20,230	16,112
Capital Revolving Fund-Affordable Housing	XR1058			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 24,362	- 24,254	- 22,934
<i>Housing Secretariat ~ Withdrawals - Capital</i>		- 3,089	-	- 6,902
Total Withdrawals		- 27,451	- 24,254	- 29,836
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>		10,000	20,000	20,000
<i>Interest Income</i>		216	136	84
Total Contributions		10,216	20,136	20,084
Total Reserve/ Reserve Fund Draws / Contributions		20,230	16,112	6,360
Other Program / Agency Net Withdrawals & Contributions		-	-	-
Balance at Year-End		20,230	16,112	6,360

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		10,383	7,166	3,924
Social Housing Federal	XR2105			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 3,283	- 3,283	- 3,283
<i>Housing Secretariat ~ Withdrawals - Capital</i>				
Total Withdrawals		- 3,283	- 3,283	- 3,283
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>				
<i>Interest Income</i>		66	41	17
Total Contributions		66	41	17
Total Reserve/ Reserve Fund Draws / Contributions		7,166	3,924	658
Other Program / Agency Net Withdrawals & Contributions		-	-	-
Balance at Year-End		7,166	3,924	658

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		6,673	6,669	6,666
Social Housing Stabilization	XQ1106			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 4	- 4	- 4
<i>Housing Secretariat ~ Withdrawals - Capital</i>		-		
Total Withdrawals		- 4	- 4	- 4
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>				
<i>Interest Income</i>				
Total Contributions		-	-	-
Total Reserve/ Reserve Fund Draws / Contributions		6,669	6,666	6,662
Other Program / Agency Net Withdrawals & Contributions		-	-	-
Balance at Year-End		6,669	6,666	6,662

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		456,644	432,071	353,929
Section 37	XR3026			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 67	- 67	- 67
<i>Housing Secretariat ~ Withdrawals - Capital</i>				
Total Withdrawals		- 67	- 67	- 67
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>				
<i>Interest Income</i>		3,320	2,936	2,575
Total Contributions		3,320	2,936	2,575
Total Reserve/ Reserve Fund Draws / Contributions		459,897	434,941	356,437
Other Program / Agency Net Withdrawals & Contributions		- 27,826	- 81,011	- 21,242
Balance at Year-End		432,071	353,929	335,195

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		309,953	279,786	269,916
Land Acquisition	XR1012			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 11,479		
<i>Housing Secretariat ~ Withdrawals - Capital</i>				
Total Withdrawals		- 11,479	-	-
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>				
<i>Interest Income</i>		2,203	2,054	1,471
Total Contributions		2,203	2,054	1,471
Total Reserve/ Reserve Fund Draws / Contributions		300,677	281,840	271,387
Other Program / Agency Net Withdrawals & Contributions		- 20,891	- 11,924	- 147,439
Balance at Year-End		279,786	269,916	123,948

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		48,281	32,148	16,131
Insurance	XR1010			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>				
<i>Housing Secretariat ~ Withdrawals - Capital</i>				-
Total Withdrawals		-	-	-
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>		1,136	1,136	1,136
<i>Interest Income</i>		300	180	0
Total Contributions		1,437	1,317	1,136
Total Reserve/ Reserve Fund Draws / Contributions		49,717	33,465	17,268
Other Program / Agency Net Withdrawals & Contributions		- 17,569	- 17,333	- 17,674
Balance at Year-End		32,148	16,131	- 407

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024 \$	2025 \$	2026 \$
Beginning Balance		9,082	8,133	6,866
Local Improvement Charge Energy Works	XR1724			
Withdrawals (-)				
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 363	- 373	- 373
<i>Housing Secretariat ~ Withdrawals - Capital</i>				
Total Withdrawals		- 363	- 373	- 373
Contributions (+)				
<i>Housing Secretariat ~ Contributions - Operating</i>				
<i>Interest Income</i>		64	56	48
Total Contributions		64	56	48
Total Reserve/ Reserve Fund Draws / Contributions		8,783	7,816	6,540
Other Program / Agency Net Withdrawals & Contributions		- 650	- 950	- 650
Balance at Year-End		8,133	6,866	5,890

The 2024 Operating Budget includes a one-time draw of \$7.170 million (for one-time costs) from funds available and set aside in the Tax Stabilization Reserve (XQ0703).

Inflows and Outflows to/from Reserves and Reserve Funds

2024 – 2033 Capital Budget and Plan**Program Specific Reserve / Reserve Funds**

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)										
		2024 \$	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	Total \$
Beginning Balance		117,773	23,881	8,461	5,467	1,467	1,467	1,467	1,467	1,467	1,467	117,773
Development Charges Reserve Fund - Subsidized Housing	XR2116											
Withdrawals (-)												
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 31,566	- 7,536	- 1,894	-	-	-	-	-	-	-	- 40,996
<i>Housing Secretariat ~ Withdrawals - Capital</i>		- 62,812	- 7,962	- 1,100	- 4,000	-	-	-	-	-	-	- 75,874
Total Withdrawals		- 94,378	- 15,498	- 2,994	- 4,000	-	-	-	-	-	-	- 116,870
Contributions (+)												-
<i>Housing Secretariat ~ Contributions - Operating</i>												-
<i>Interest Income</i>		486	78									564
Total Contributions		486	78									564
Total Reserve/ Reserve Fund Draws / Contributions		23,881	8,461	5,467	1,467	1,467	1,467	1,467	1,467	1,467	1,467	1,467
Other Program / Agency Net Withdrawals & Contributions		-	-	-	-	-	-	-	-	-	-	-
Balance at Year-End		23,881	8,461	5,467	1,467	1,467	1,467	1,467	1,467	1,467	1,467	1,467

Reserve / Reserve Fund Name (In \$000s)	Reserve/Reserve Fund Number	Withdrawals (-) / Contributions (+)										
		2024 \$	2025 \$	2026 \$	2027 \$	2028 \$	2029 \$	2030 \$	2031 \$	2032 \$	2033 \$	Total \$
Beginning Balance		37,466	20,230	16,112	6,360	5,301	4,242	3,183	2,125	1,067	10	37,466
Capital Revolving Fund-Affordable Housing	XR1058											
Withdrawals (-)												
<i>Housing Secretariat ~ Withdrawals - Operating</i>		- 24,362	- 24,254	- 22,934	- 1,107	- 1,107	- 1,107	- 1,107	- 1,107	- 1,107	-	- 78,192
<i>Housing Secretariat ~ Withdrawals - Capital</i>		- 3,089	-	- 6,902	-	-	-	-	-	-	-	- 9,991
Total Withdrawals		- 27,451	- 24,254	- 29,836	- 1,107	- 1,107	- 1,107	- 1,107	- 1,107	- 1,107	-	- 88,183
Contributions (+)												-
<i>Housing Secretariat ~ Contributions - Operating</i>		10,000	20,000	20,000	-	-	-	-	-	-	-	50,000
<i>Interest Income</i>		216	136	84	48	48	48	49	49	50	50	777
Total Contributions		10,216	20,136	20,084	48	48	48	49	49	50	50	50,777
Total Reserve/ Reserve Fund Draws / Contributions		20,230	16,112	6,360	5,301	4,242	3,183	2,125	1,067	10	60	60
Other Program / Agency Net Withdrawals & Contributions		-	-	-	-	-	-	-	-	-	-	-
Balance at Year-End		20,230	16,112	6,360	5,301	4,242	3,183	2,125	1,067	10	60	60

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels, as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced Service Priorities: New and enhanced service changes, resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services. An example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority.

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes.

Tax Supported Budget: Budget funded by property taxes.

User Fees: Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).