



BudgetTO

toronto.ca/budget

#budgetTO

TCHC

2025 Operating Budget and 2025-2034 Capital Budget & Plan Briefing to Budget Committee

January, 15, 2025

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding the charts, graphs, or any other content, please contact us at (416) 981-4088 or officeofthceo@torontohousing.ca.



Vision Statement

Our Vision

Quality homes in vibrant communities where people are proud to live and work.

Our Mission

Our core mission is to provide clean, safe, well-maintained, affordable homes for residents. Through collaboration and with residents' needs at the forefront, we connect residents to services and opportunities, and help foster great neighbourhoods where people can thrive.



TCHC Services

Deeply Affordable Housing



- TCHC plays a critical role in the housing and social services continuum, providing access to deeply affordable housing.
- We provide tenants with core housing management services including tenancy management and rent collection, building and property maintenance, janitorial and building cleanliness, and community safety.
- Around 110,000 people call TCHC and TSHC home, with 89% of households benefiting from the Rent-Geared-to-Income (RGI) program.

Long-term Stewardship of a Critical Asset



- TCHC manages and maintains 1,300 buildings, worth over \$13.9B.
- Our capital repair and community revitalization programs are focused on ensuring that these public assets are in good condition now and for the future.
- We lead the housing sector in modernizing our buildings through innovative energy solutions, green initiatives and conservation efforts.

Supporting Tenant Needs



- TCHC serves a population with complex care needs and chronic vulnerabilities that require a wide range of supports to help them have successful tenancies.
- We connect residents to services and organizations to support these needs and their overall well-being, while also directly delivering a range of programs that tenants may require to maintain successful tenancies.

Context

92,985 Total Tenants

41,108 Total Households

12.6 yr

Average Tenancy Length

\$19,262

Average RGI household income

\$448

Average RGI household rent

44%

RGI households' income source is OW/ODSP

Supporting high needs communities

TCHC has developed a framework and strategy to respond to chronic levels of vulnerability and/or gun violence in high needs communities. This strategy is part of a broader initiative to develop realistic, sustainable and accountable interventions across our high-needs buildings.

- Early analysis and a comparative case study supports that developments with high levels of chronic vulnerabilities have higher resourcing demands and financial impact.
- The impact is felt across all areas of service delivery from maintenance, cleaning, safety, and tenancy management.
- This study will continue to be broadened to identify the need for building-specific support services and a comprehensive community health and outcomes measurement approach.

	Chronic Vulnerabilities	Chronic Gun Violence
Number of Developments	33	9
Number of Units	12,158 28% of total units	2,515 6% of total units
Number of Tenants	17,539 19% of total tenants	8,691 9% of total tenants

22%

Households with a mental health disability

53%

Households that have a member with at least one type of disability

34% of units or

28% of tenants belong to a high-needs community

Services and Outcomes

Strategic Outcomes

Quality Homes in Vibrant Communities

Every tenant has **reasonable enjoyment of their home.**

Tenants' **homes will be well-maintained and made accessible** by TCHC.

Tenants **feel safe, secure and supported** and are **connected to the services** they need.

Culture of Tenant Service

Frontline leadership and employees are empowered to **make tenant-focused decisions locally.**

Services are delivered effectively and efficiently through **skilled and compassionate staff teams** who work in the communities **where tenants live.**

Effective and efficient tenant service processes, systems and tools that enable timely decision making and identifies tenant service success measures.

Corporate Outcomes

Organizational Excellence

High performing teams that bring to life a **culture of tenant service.**

Utilize **business intelligence tools** and data systems to bring **greater insights** to the organization and **improved decision-making.**

Modernize technology systems that are focused on cybersecurity resiliency.

Financial Sustainability

TCHC's **funding reflects the organizations mandate**, operational environment and evolving tenant needs.

2025 Budget Overview: Operating – TCHC Only

(In \$000s)	2023 Actual	2024 Budget	2024 Projection*	2025 Base Budget	2025 New Initiatives	2025 Budget	Change v. 2024 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Residential Rent - RGI	185,855	189,387	194,759	195,227		195,227	5,841	3.1%
Residential Rent - Market	85,564	87,003	86,231	88,349		88,349	1,347	1.5%
City Subsidy (Base)	231,089	273,218	272,332	325,478	1,279	326,757	53,539	19.6%
City Subsidy (One-Time)	23,027	29,248	29,248		709	709	(28,539)	(97.6%)
Other	42,868	34,135	38,549	42,960	2,309	45,269	11,134	32.6%
Total Revenues	568,404	612,991	621,120	652,015	4,297	656,312	43,320	7.1%
Expenditures								
Total Operating Expenses	559,707	612,991	607,804	652,015	4,297	656,312	43,320	7.1%
Total Gross Expenditures	559,707	612,991	607,804	652,015	4,297	656,312	43,320	7.1%
Net Expenditures	8,697		13,316					
Approved Positions**	2,142	2,330	N/A	2,365	21	2,386	56	2.4%

* 2024 Projection based on 9 Month Variance

** YoY comparison based on approved positions

2025 Budget Overview: Capital

10 Year Capital Budget & Plan			
\$ Millions	2025	2026-2034	Total
Building Repair Capital	\$379.9	\$1,930.7	\$2,310.6
Development Capital	\$175.5	\$930.7	\$1,106.2
Tenant Support	\$0.7	\$10.6	\$11.3
Decarbonization	\$38.6	\$16.1	\$54.6
IT/Corporate Capital	\$17.0	\$7.5	\$24.5
Gross Expenditures	\$611.6	\$2,895.6	\$3,507.2

2025 Key Risks and Challenges

Inability to meet a reasonable standard of service

- TCHC faces pressure to address urgent issues while maintaining its core services, particularly as it provides housing for tenants with complex needs.

Capital funding and sustaining our assets

- There is a risk in the ability for TCHC to access additional federal or provincial funding needed to maintain our assets, to fund our 10-year Capital Plan and meet building condition and climate change targets.

Financial stability and sustainability

- TCHC faces long-term financial instability resulting from misaligned funding, structural challenges, inflationary pressure, cost increases, enhanced tenant support needs and an increasingly difficult operating environment. TCHC is constrained by its limited ability to increase revenues and requires ongoing subsidy support and organization-wide cost control measures.

Cybersecurity and integrity of critical systems

- The risk of a cyber attack and a data breach are always evolving, and actions are needed to mitigate that risk.

Compliance

- As a heavily regulated institution, compliance requires a significant investment, and TCHC has not always been resourced to effectively prioritize all compliance requirements.

Community safety and security

- TCHC communities experience increasing safety and emergency incidents affecting the security of residents, staff and contractors. TCHC accounts for approximately one quarter of the city's gun violence incidents, with most incidents concentrated within a small subset of TCHC communities.

2025 Priority Actions



Strengthening service and supporting tenants

- TCHC is committed to driving service delivery responses to emerging and operational needs that have direct tenant facing impact, including necessary maintenance and work order completion.
- TCHC will deliver compassionate, responsive and localized services to TCHC's high needs tenants with intensified staff, safety, service and program resources.



Empowering tenants and communities

- TCHC will improve its capacity to empower tenants and communities, enhance and bolster tenant capacity to engage with the organization as well as to deliver locally developed initiatives that directly impact their community.



State of good repair, capital planning and climate action

- Execute on our Capital and Revitalization Plans to maintain a state of good repair. TCHC will focus on establishing greater capacity to effectively plan for asset management today and into the future, including requirements to meet net-zero goals, building condition targets and Urgently Building More Homes mandate.



Organizational effectiveness and compliance

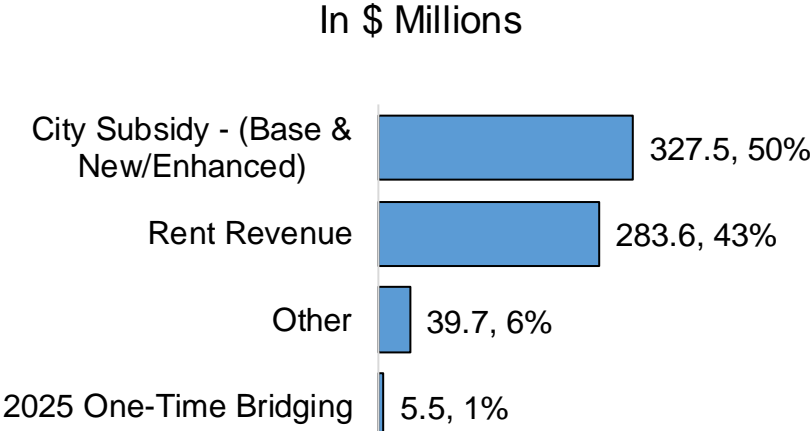
- TCHC is prioritizing investment in financial sustainability, data intelligence foundation, cybersecurity and compliance initiatives to enhance our ability to make timely data informed decisions, anticipate challenges, reduce liabilities and risk, establish funding predictability and maintain trust.

2025 Operating Budget Submission

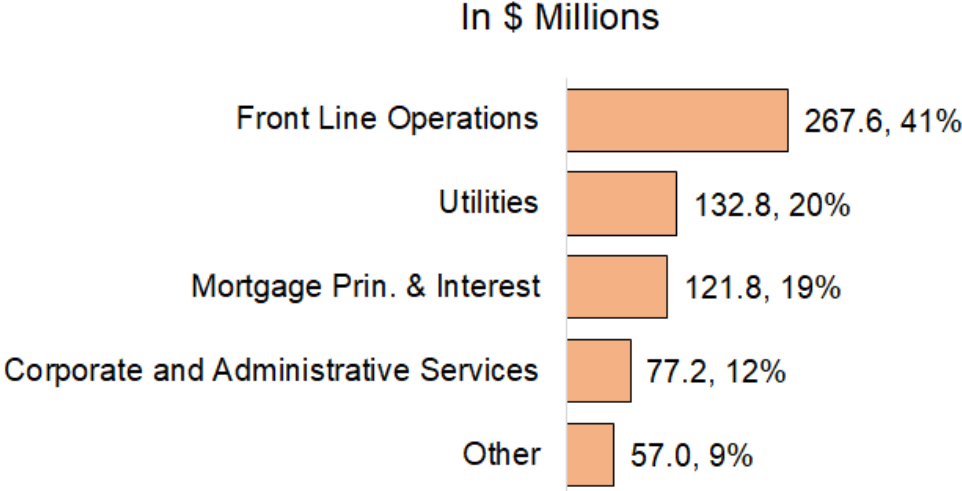
TCHC

How the 2025 Operating Budget is Funded & Where the Money Goes

Where the Money Comes From (\$656.3 Million)



Where the Money Goes (\$656.3 Million)



2025 Net Operating Budget

Category (In \$000s)	2024 Budget	2024 Projection*	2025 Budget	2025 Change from 2024 Budget		2025 Change from 2024 Projection	
	\$	\$	\$	\$	%	\$	%
City Subsidy - (Base)	273,218	272,332	325,478	52,260	19.1%	53,146	19.5%
City Subsidy - (New/Enhanced)***			1,988	1,988		1,988	
City - One-Time Funding	29,248	29,248		(29,248)	(100.0%)	(29,248)	(100.0%)
Total City Funding	302,467	301,580	327,466	24,999	8.3%	25,885	8.6%
Residential rent - RGI	189,387	194,759	195,227	5,841	3.1%	468	0.2%
Residential rent - Market	87,003	86,231	88,349	1,347	1.5%	2,118	2.5%
Other	34,135	38,549	45,269	11,134	32.6%	6,720	17.4%
Total Revenues	612,991	621,120	656,312	43,320	7.1%	35,192	5.7%
Utilities	126,573	123,773	132,796	6,223	4.9%	9,023	7.3%
Mortgage	120,233	115,282	121,820	1,587	1.3%	6,538	5.7%
Front Line Operations	248,379	245,273	267,554	19,175	7.7%	22,282	9.1%
Corporate and Administrative Services	66,169	74,830	77,181	11,012	16.6%	2,351	3.1%
Other	51,638	48,647	56,960	5,322	10.3%	8,313	17.1%
Total Gross Expenditures	612,991	607,804	656,312	43,320	7.1%	48,507	8.0%
Net Expenditures/(Surplus)	\$0	\$13,316	(\$0)	(\$0)	(\$0)	(\$13,316)	(\$0)

* 2024 Projection based on 9 Month Variance

*** \$1.988M is TCHC portion of the Shared \$2.28M New and Enhanced Subsidy

2025-2034 Capital Budget and Plan Submission

TCHC

Capital Assets to Deliver Services - \$13.9 Billion

TCHC / SOGR

\$13.9B
Asset value

~ 57,500
Public housing units

~ 1,300
Public housing buildings

This includes both TCHC and TSHC buildings, parking garages, etc.

1,217
TCHC operated buildings

83
TSHC operated buildings

50 yrs
Avg building age

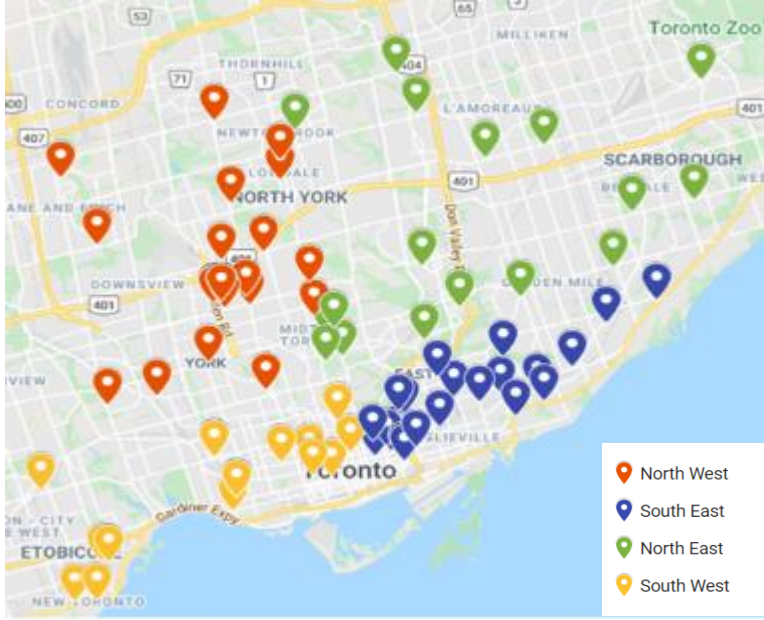
2/3 of
Toronto's total social housing stock

Map of TCHC operated buildings



Note: The map below shows an overview of TCHC's buildings that contain more than five individual units.

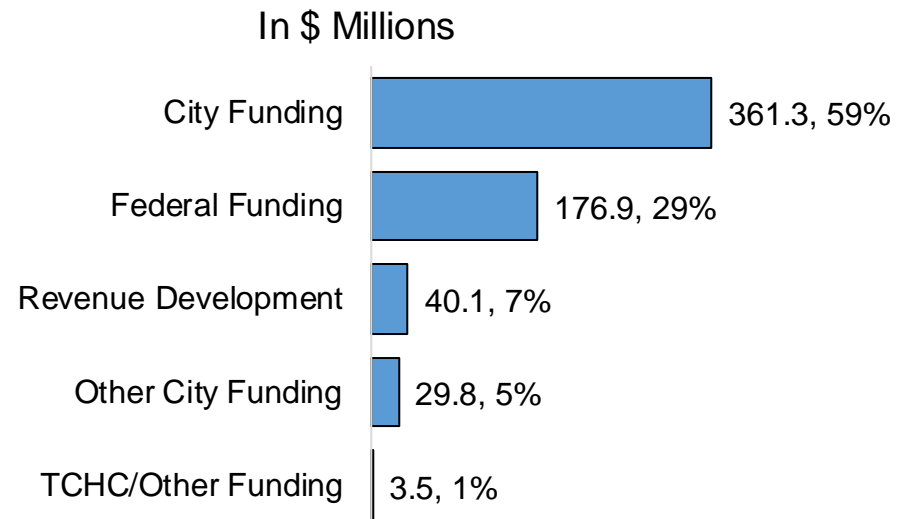
Map of TSHC operated buildings



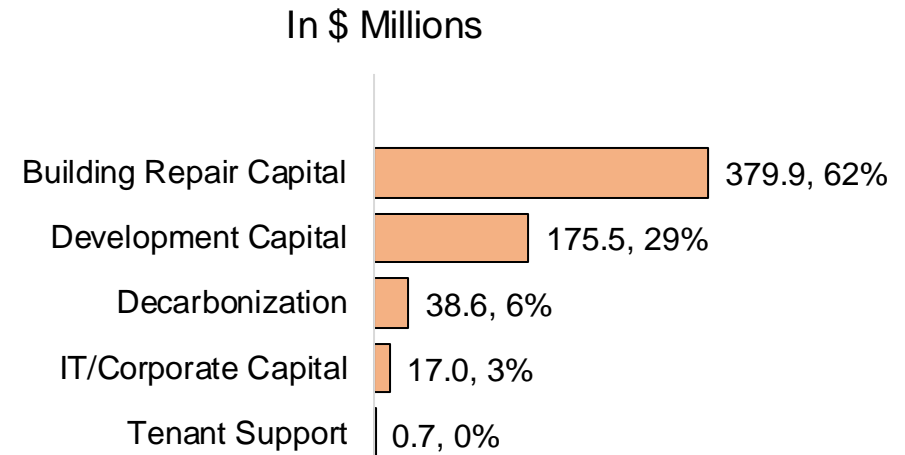
Note: TCHC continues to own and manage the capital services for all TSHC operated buildings

2025 Capital Budget and Plan Breakdown














Where the Money Comes From (\$611.6 Million)



Where the Money Goes (\$611.6 Million)

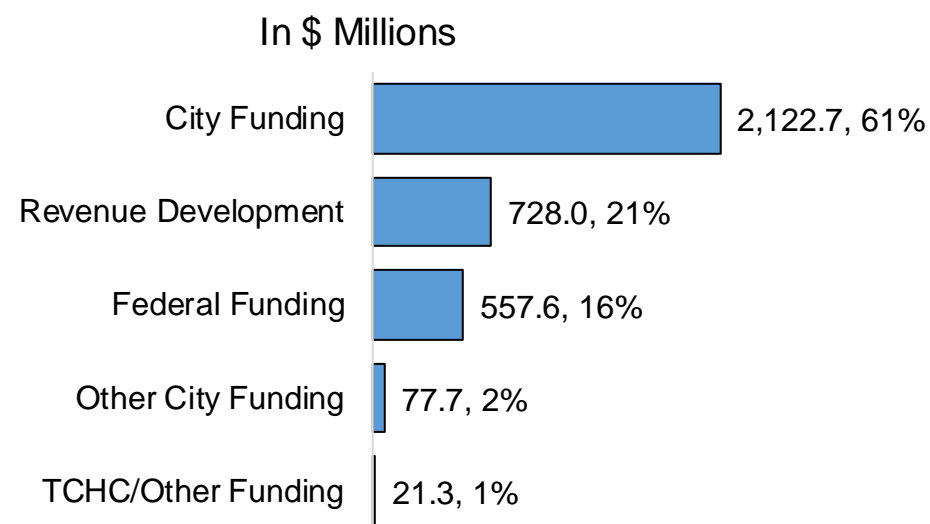


\$3,507.2 Million 10-Year Gross Capital Program

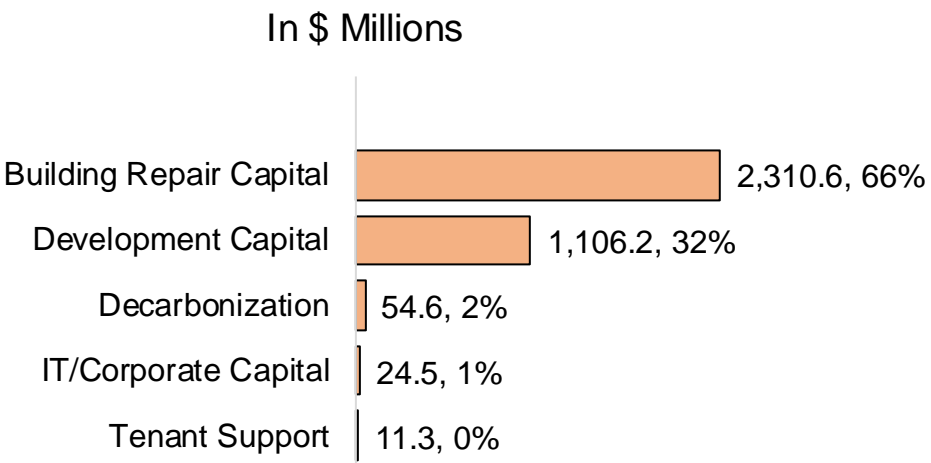
				
Planned Capital	Demand Capital	Additional Energy Programs	Capital Other	Development Capital
\$1,140.2M	\$833.2M	\$94.6M	\$333.0M	\$1,106.2M
32.5%	23.8%	2.7%	9.5%	31.5%
 		 		 
<ul style="list-style-type: none"> • Envelope • Grounds • Emergency Generators • HVAC • Plumbing • Roofing • Structural • Large Scale holistic energy retrofits • Common area accessibility upgrades 	<ul style="list-style-type: none"> • Accessibility upgrades • Waste equipment repairs • Appliances and equipment • Local move-outs • MLS issues • SOGR demand maintenance low value repairs 	<ul style="list-style-type: none"> • Energy initiatives • Water conservation • Energy Retrofits • Building energy deep retrofit 	<ul style="list-style-type: none"> • Building Condition Assessments • IT & Corporate Capital • Community Safety & Security capital needs • Cybersecurity & Integrity of Critical Systems 	<ul style="list-style-type: none"> • In flight development projects

2025-2034 Capital Budget Breakdown

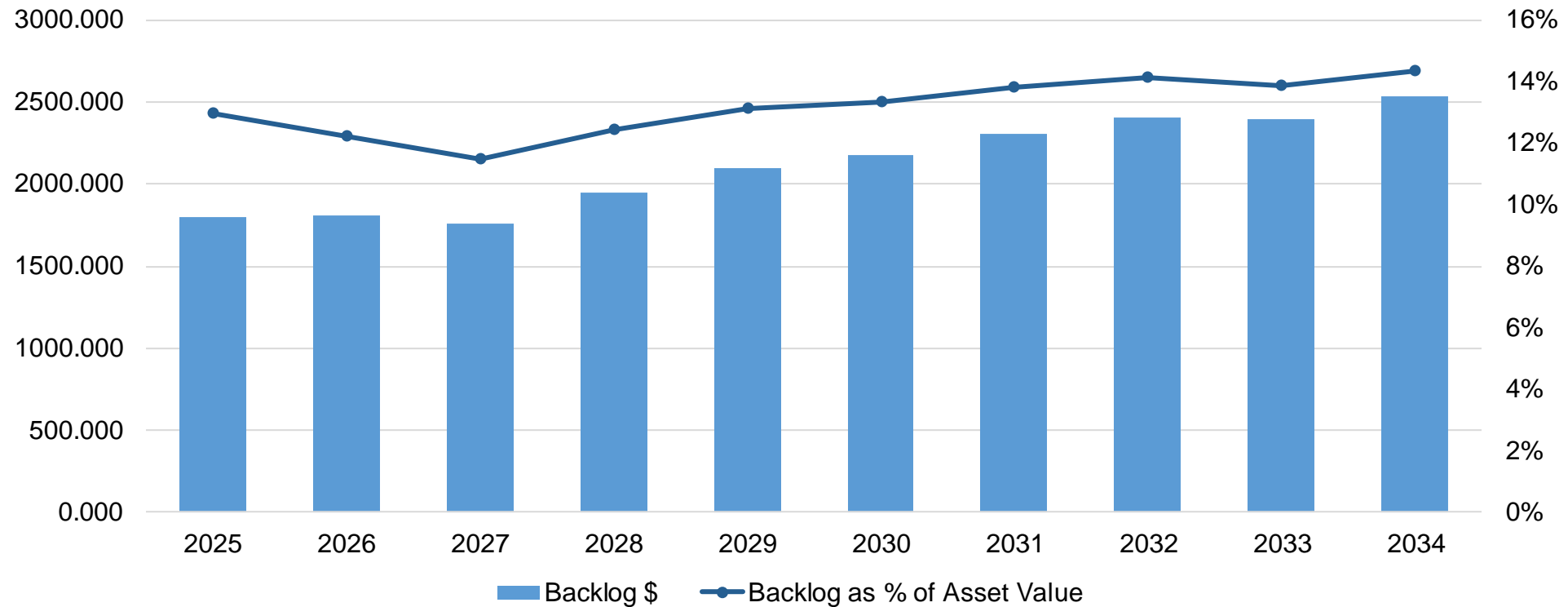
Where the Money Comes From (\$3,507.2 Million)



Where the Money Goes (\$3,507.2 Million)



State of Good Repair (SOGR) Backlog



\$Millions	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Backlog \$	1,797.0	1,809.0	1,762.9	1,948.2	2,098.5	2,175.0	2,304.7	2,402.7	2,400.7	2,539.5
Backlog as % of Asset Value	13.0%	12.2%	11.5%	12.4%	13.1%	13.3%	13.8%	14.1%	13.9%	14.4%
Reallocation of Gardiner/ DVP Upload	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0

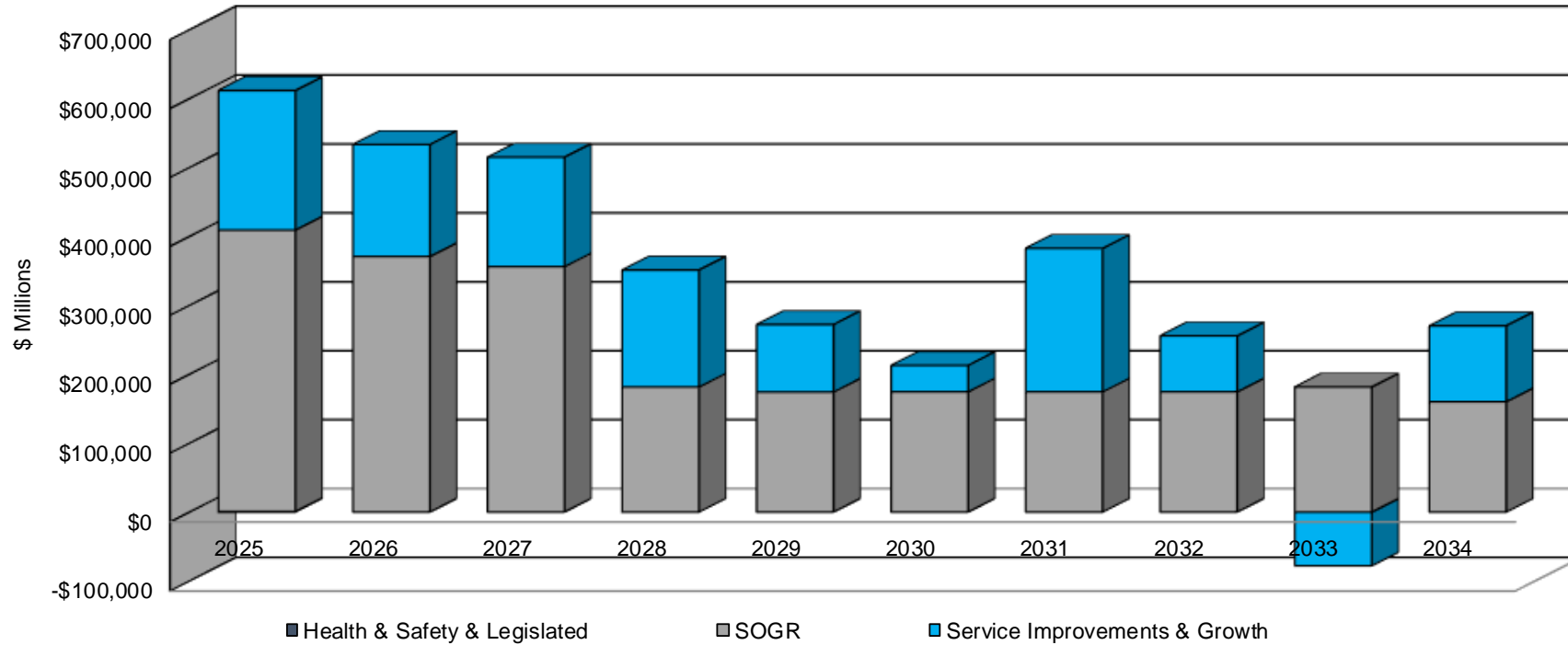
Thank You

toronto.ca/budget

Appendices

TCHC

2025-2034 Capital Budget & Plan by Project Category



	2025 - 2034 Tabled Capital Budget and Plan by Category										
\$ Millions	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Health & Safety & Legislated	0.8										0.8
SOGR	408.4	370.7	356.0	181.4	174.1	174.4	174.4	174.4	181.4	160.0	2,355.1
Service Improvements & Growth	202.5	162.5	158.8	169.8	97.8	38.3	208.2	81.2	(77.9)	110.2	1,151.4
Total	611.6	533.2	514.8	351.1	272.0	212.7	382.5	255.6	103.5	270.2	3,507.3
Reallocation of Gardiner/ DVP Upload	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	300.0

Capital Delivery Constraints - \$8,147.9 Million

Projects	Total Project Cost	Non-Debt Funding	Debt Required	Cash Flow (In \$ Millions)									
				2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
NOT INCLUDED													
Building Repair Capital	189.1		189.1		18.6	18.6	18.6	18.6	18.6	18.6	18.6	18.6	40.0
Development Capital	78.4		78.4		(16.3)	29.4	32.0	51.1	45.3	(121.1)	13.9	139.3	(95.2)
Regent Park Energy Inc.	61.9		61.9		10.1	10.7	10.7	10.1	10.1	7.7	1.2	0.6	0.6
SOG -Unfunded per City Asset Management Program	1,318.5		1,318.5	1.0	1.0	1.0	183.7	191.3	191.1	191.1	191.1	183.7	183.7
Bldg Repair Capital - Net Zero	6,500.0		6,500.0	650.0	650.0	650.0	650.0	650.0	650.0	650.0	650.0	650.0	650.0
Total Needs Constraints (Not Included)	8,147.9		8,147.9	651.0	663.4	709.7	895.1	921.1	915.1	746.3	874.8	992.3	779.1

Thank You

toronto.ca/budget