



HousingTO 2020-2030 Action Plan

Date: November 26, 2019

To: Planning and Housing Committee

From: Deputy City Manager, Community and Social Services

Wards: All

SUMMARY

This report requests Toronto City Council to adopt a set of recommendations to activate the HousingTO 2020-2030 Action Plan. The HousingTO 2020-2030 Action Plan provides a blueprint to assist some 341,000 households achieve “housing success” in Toronto’s challenging housing market.

Toronto's housing market has experienced unprecedented growth over the past decade. While this has benefited the local, regional and national economies, it has left many low-and-moderate-income households in the city struggling to make ends meet. In particular, high rental and ownership costs have left over 194,000 households (or 17.5% of all private households) paying more than 50% of their income on housing. And although the City of Toronto has expanded emergency shelter capacity during the past three years, much of the shelter facilities were occupied immediately and most shelters continue to operate at capacity with over 7,500 users on any given night.

While all orders of government have taken action to address the city's housing challenges over the past decade, there is a need to expand existing efforts and take new measures during the next 10 years. With Toronto's population estimated to grow by up to one million new residents by 2030 and the rental housing vacancy rate currently at 1%, all orders of government need to prioritize and increase investments in affordable and supportive housing. All orders of government must work together to strategically align resources to tackle the housing and homelessness crisis effectively. This strategic alignment includes focusing on permanent affordable housing solutions to improve housing stability, health and economic outcomes for residents.

The HousingTO 2020-2030 Action Plan builds upon the City's last 10-year housing plan, Housing Opportunities Toronto: Affordable Housing Action Plan 2010-2020. It proposes a number of actions to address critical needs across the housing spectrum including emergency shelters and transitional housing, social and supportive housing, market and affordable rental housing and homeownership. Maintaining a ten-year housing plan also fulfills the City's legislative requirement to develop and maintain a housing plan pursuant to the provincial *Housing Services Act, 2011*.

In 2009, City Council approved the "Toronto Housing Charter: Opportunity for All". This was an important step in recognizing the City's commitment to supporting housing equality and non-discrimination in housing regardless of whether an individual or family was without a home, was a tenant or a homeowner. The HousingTO 2020-2030 Action Plan recommends updating the "Toronto Housing Charter: Opportunity for All" in line with new federal legislation and to guide the City in taking action, within its jurisdiction, to advance the progressive realization of the right to adequate housing.

The HousingTO 2020-2030 Action Plan sets out 13 key strategic directions and 76 actions to assist over 341,000 households and guide housing investments by all three orders of government of approximately \$23.4 billion from 2020 to 2030. The City's commitment through current and future investments is proposed to be \$8.5 billion over 10 years (including operating, capital investment and other financial tools).

The targets in the HousingTO 2020-2030 Action Plan reflect a range of actions already being taken by government, as well as ramping up a full range of measures. Achieving these targets would produce major positive outcomes for Toronto residents. In particular, emergency shelter clients would have greater access to supportive housing; tenants paying more than 50% of their income on housing would get rent relief; residents of Toronto Community Housing would live in better maintained and safer homes; and residents would have access to new affordable, supportive and ownership housing opportunities.

The HousingTO 2020-2030 Action Plan seeks to leverage existing government investments, while proposing substantial new funding and financing commitments from the City, the province and the federal government. In particular, the HousingTO 2020-2030 Action Plan calls on the federal government to enhance and extend efforts under the National Housing Strategy and the provincial government to commit to increasing income supports and supportive housing options to vulnerable people. In prioritizing government action across the entire housing spectrum, the HousingTO 2020-2030 Action Plan seeks to provide a diverse range of opportunities for Toronto residents thereby creating greater housing choice and opportunity, while addressing the public's concern with being "stuck" and "priced" out of Toronto's housing market.

In recognition of the importance of working with our federal and provincial partners, it is proposed that the HousingTO 2020-2030 Action Plan be forwarded to the Federal and Provincial governments to: 1) inform current and future housing policies, programs and initiatives; and 2) request additional investments to address the housing crisis impacting the health, socio-economic and environmental well-being of residents, the city, the region and the country.

This report and the HousingTO 2020-2030 Action Plan was prepared with the invaluable insight and input from some 6,000 Toronto residents and an External Advisory Group who participated in public consultations held throughout 2019.

The HousingTO 2020-2030 Action Plan was developed as a corporate initiative with input, support and encouragement from the following City divisions: Housing Secretariat; Shelter, Support and Housing Administration; Social Development, Finance and Administration; Corporate Real Estate Management, CreateTO, Municipal

Licensing and Standards; City Planning; Seniors Services and Long-Term Care Homes; Indigenous Affairs Office; Toronto Employment and Social Services; Financial Planning; City Legal; Revenue Services; Economic Development and Culture; Toronto Community Housing Corporation; Toronto Public Health; the offices of City Manager and Deputy City Manager; Community and Social Services; Infrastructure and Development Services; Corporate Services; and the Chief Financial Officer and Treasurer.

RECOMMENDATIONS

The Deputy City Manager, Community and Social Services recommends that:

1. City Council adopt the HousingTO 2020-2030 Action Plan (included as Attachment 1) and its recommended actions as the framework to guide the City's efforts over the next 10 years to strategically and effectively addressing housing and homelessness needs.
2. City Council direct the Executive Director, Housing Secretariat and the Deputy City Manager, Community and Social Services, in consultation with the Chief Financial Officer and Treasurer and the Executive Director, Financial Planning, to establish a consolidated list of actions identifying funding needs for a 10-year period, informed by the federal and provincial funding commitments and third party partnerships, reviewed annually for consideration as part of the City's annual budget process.
3. City Council direct the Deputy City Manager, Community and Social Services to include a request for \$250,000 in the 2020 Housing Secretariat operating budget submission to be used to establish a housing fund and identify options to access private capital to support the development of affordable rental housing, and report to Council on the results by the third quarter of 2020.
4. City Council approve, in principle, the new 10-Year Investment Plans for the Housing Now Initiative and Open Door Affordable Rental Housing Program outlined in the Financial Impact section of this report to activate the HousingTO 2020-2030 Action Plan and support the creation of 20,000 new affordable rental and supportive homes.
5. City Council request the City Manager to review and report to Council by the third quarter of 2020 with options to establish a Housing Commissioner role or function to independently assess implementation of the revised Toronto Housing Charter and the HousingTO 2020-2030 Action Plan and ensure that the City, within its legislative authorities, and through implementation of various programs and policies, is taking concrete actions to combat systematic housing discrimination and address systemic hurdles in the housing system.
6. City Council direct the City Manager to forward the HousingTO 2020-2030 Action Plan to the Ontario Minister of Municipal Affairs and Housing, including a full list of recommended actions (Attachment 2) and estimated costs to:

- a) inform current and future housing policies, programs and initiatives;
and
- b) request continuation of existing programs to 2030 as well as new and enhanced investments in Toronto in the amount of \$6.9 billion in provincial investment in from 2020-2030 to address the health, socio-economic and environmental well-being of residents in the city and the region.

7. City Council request the City Manager to forward the HousingTO 2020-2030 Action Plan to the Federal Minister of Families, Children and Social Development and Minister Responsible for Canada Mortgage and Housing Corporation, including a list of recommended actions (Attachment 3) and estimated costs to:

- a) inform current and future housing policies, programs and initiatives;
and
- b) request continuation of existing programs to 2030 as well as new and enhanced investments in Toronto in the amount of \$6.4 billion in federal investments from 2020-2030 to address the housing crisis impacting the health, socio- economic and environmental well-being of residents in the city, the region and the country as a whole.

FINANCIAL IMPACT

HousingTO 2020-2030 Action Plan: 10 Year Overview

The HousingTO 2020-2030 Action Plan proposes a number of actions and investments over the next 10 years which will assist approximately 341,000 households.

While this framework encompasses 13 key strategic directions and 76 tactical actions over a 10-year period, it will require annual delivery plans and financial commitments based on incremental efforts to scale up and achieve all objectives by 2030.

All annual delivery plans and business cases will be subject to approval through the City's annual budget process. A review of the previous years' performance relative to established targets and an assessment of investments from all orders of government and other parties towards meeting the HousingTO 2020-2030 Action Plan objectives and contribution targets will also be included.

Overall Funding for the HousingTO 2020-2030 Action Plan

Implementation of the HousingTO 2020-2030 Action Plan is expected to cost all orders of government about \$23.4 billion over 10 years.

By way of current commitments plus the additional investments proposed below, it is estimated that the City will invest approximately \$8.5 billion in operating, capital

investments and other financial tools over 10 years to support this plan. Currently, the City has already committed to about \$5.5 billion in operating, capital investments and other financial tools demonstrating its leadership and commitment to improving the housing situation in Toronto. By adopting the recommendations in this report, the City will increase current investments by \$3.0 billion primarily to support the creation of 20,000 new affordable rental and supportive housing units.

Support from the federal and provincial governments is crucial to funding the remaining \$14.9 billion over the next 10 years which will primarily be directed towards: creating an additional 20,000 new affordable rental and supportive housing units; and providing housing benefits and supports to assist a total of 50,000 households.

Achieving the overall targets in the HousingTO 2020-2030 Action Plan will require continued contributions/programs as well as new and enhanced investments from all orders of government. Contributions from the non-profit and private sectors will also be necessary to achieve the targets.

Activating the HousingTO 2020-2030 Action Plan in 2020

This report recommends that Council approve in principle the following 10-year investment plans and actions with financial impacts to be realized starting in 2020.

Investment in these initiatives and programs outlined below will support the City's delivery of 20,000 new affordable rental homes approvals by 2030.

1) Housing Now Initiative

In 2019, the City took a major step in advancing the new 10 year housing plan. Through investments of approximately \$716 million in incentives and land value, the City is stimulating the development of 10,000 residential units including 3,700 affordable rental homes over the next ten years.

It is recommended that Council enhance the Housing Now Initiative and approve, in principle, additional City investments of approximately **\$1.29 billion** in land value and waived fees and charges over the next 10 year to deliver 6,300 new affordable rental and supportive homes approvals on City-owned land. Similar to the first phase of the Housing Now initiative, sites will be brought to Council for approval prior to being offered on the market and allocated.

Over a 10 year period, the City's investment in the Housing Now Initiative is proposed to be about \$2.1 billion, as outlined in Table 1 below.

Table 1 - Housing Now Initiative: 10-Year Investment Plan to create 10,000 new affordable homes on City-owned sites

| Type of Municipal Financial Support | Investments Already Approved (3,700 homes) | New Recommended Investments from 2020 - 2030 (6,300 homes) | Total Over 10 Years (10,000 homes) |
|--------------------------------------|--|--|------------------------------------|
| Development Charges Exemptions | \$150,000,000 | \$254,772,000 | \$404,772,000 |
| Property Tax Exemption (99 year NPV) | \$104,164,803 | \$171,574,697 | \$275,739,500 |
| Fees and Charges Exemption | \$26,162,394 | \$44,541,000 | \$70,703,394 |
| <i>Sub-total City Incentives</i> | <i>\$280,327,197</i> | <i>\$470,887,697</i> | <i>\$751,214,894</i> |
| City Land Value Leveraged | \$481,000,000 | \$819,000,000 | \$1,300,000,000 |
| Total City Contributions | \$761,327,197 | \$1,289,887,697 | \$2,051,214,894 |

To achieve the affordable housing targets from City-owned land, CreateTO, the City's real estate agency, and City staff will identify an inventory of property that are suitable to meet affordable housing objectives. A "housing lens" will be applied to the City-wide portfolio to identify sites suitable for housing development. Properties allocated to housing objectives will be subject to relevant authorities and approvals, including City Council and CreateTO Board.

2) Open Door Affordable Rental Housing Program

The Open Door Affordable Rental Housing Program was approved by Council in 2016 together with a 5-Year Investment Plan. It is being recommended that the Investment Plan be renewed for an additional 10 years starting in 2020 to support the delivery of 10,000 new affordable rental and supportive homes on federal, provincial, non-profit and private lands by 2030.

The total City investment to deliver 10,000 new rental homes under the Open Door Program is estimated at \$875 million in waived fees, charges and property taxes over 10 years, as outlined in Table 2 below:

Table 2- Open Door Program: 10-Year Investment Plan to create 10,000 new affordable homes on private and non-profit sites

| Type of Exemptions/Waiver | Estimated Future Investments | |
|--------------------------------|------------------------------|------------------|
| | Per home | For 10,000 homes |
| Development Charges Exemptions | \$40,440 | \$404,402,000 |

| Type of Exemptions/Waiver | Estimated Future Investments | |
|---|------------------------------|----------------------|
| | Per home | For 10,000 homes |
| Property Tax Exemption (40 year NPV) | \$19,955 | \$199,547,364 |
| Fees and Charges Exemption | \$7,070 | \$70,696,800 |
| Sub-total City Incentives | \$67,465 | \$674,646,164 |
| Capital Funding | \$20,000 | \$200,000,000 |
| Total City Investment | \$87,465 | \$874,646,164 |

3) Review of Third-party Investments

It is recommended that City Council request the Executive Director, Housing Secretariat to submit a business case for funding in the amount of \$250,000 through the City's 2020 budget process to retain a consultant to establish a housing fund and identify options to access private capital to help fund and finance the delivery of the Plan over the next 10 years. The results of the report, including recommended options, will be provided to Council in the third quarter of 2020.

Staff will report to Council on other specific housing initiatives and available funding to implement the HousingTO 2020-2030 Action Plan as part of the City's ongoing annual capital and operating budget processes starting in 2020.

The Chief Financial Officer and Treasurer has been provided with the financial impacts associated with this HousingTO 2020-2030 Action Plan for review as part of the 2020 and future years budget process.

The Deputy City Manager, Community and Social Services and the Executive Director, Housing Secretariat will consult with the Chief Financial Officer and Treasurer and the Executive Director, Financial Planning to identify appropriate funding sources for the overall plan.

EQUITY IMPACT STATEMENT

The HousingTO 2020-2030 Action Plan envisions a city in which all residents have equal opportunity to develop to their full potential. Through the adoption of an updated "Toronto Housing Charter: Opportunity for All", the City, within its jurisdiction, is highlighting its commitment to the progressive realization of the right to adequate housing. This human rights-based approach recognizes that housing is essential to the inherent dignity and well-being of a person and to building inclusive, healthy, sustainable and liveable communities.

Creating new affordable housing and preserving the City's existing housing stock will increase the opportunity for lower-income and vulnerable individuals and families, as well as those from equity-seeking groups to access safe, healthy and adequate homes.

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

DECISION HISTORY

City Council on May 14 and 15, 2019, adopted The Right to Adequate Housing presentation from the United Nations Special Rapporteur on the Right to Adequate Housing and requested the Director, Affordable Housing Office: to consider the presentation when updating Toronto's 2009 Housing Charter and the Housing Opportunities Toronto: Affordable Housing Action Plan 2010-2020; and, as part of the public consultation process on Toronto's housing plan, to include a "rights based approach" to housing in policy areas that fall within the City's jurisdiction.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH5.1>

City Council at its meeting of February 26, 2019, adopted the Toronto Housing Market Analysis report and requested staff to include key indicators identified in the report be included in the Housing Plan 2020-2030 and to provide an annual update to the Planning and Housing Committee on key housing indicators including those resulting from the "Toronto Housing Market Analysis".
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH2.5>

City Council at its meeting of July 23, 24, 25, 26, 27 and 30, 2018, approved the direction and framework to develop the Housing Opportunities Toronto Action Plan 2020-2030 and requested the Director, Affordable Housing Office, the General Manager, Shelter, Support and Housing Administration and the General Manager, Long-Term Care Homes and Services to report before the end of 2019 with the final recommended Housing Opportunities Toronto Action Plan 2020-2030.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX36.32>

City Council at its meeting of August 5 and 6, 2009, endorsed the "Housing Opportunities Toronto: An Affordable Housing Action Plan 2010- 2020" as the plan to address Toronto's affordable housing challenges by 2020.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.EX33.47>

COMMENTS

A. Toronto's Housing Context

Over the past decade, many low and moderate income residents have found it increasingly difficult to find and maintain an affordable home in Toronto. While the private housing market has experienced rapid growth, it has left an increasing number of low-and-moderate income residents feeling "stuck" and unable to find and keep housing that is both affordable and suitable to their needs.

In addition to the current housing challenges, Toronto needs to prepare for significant growth and population-specific needs over the next 10 years, including:

1. Population growth – an increase of up to 1 million people (resulting in the population being about 3.91 million people) by 2030.
2. Ageing population – an increase in the number of seniors aged 65+ will grow by 59% or 700,000 people by 2030.
3. Mental Health and Addictions Support Needs - demand for mental health and addiction supportive housing will grow faster than the population.
4. Increasing poverty:
 - Over 500,000 people will live in low-income households (up from 471,203 in 2016) by 2030.
 - The waitlist for social housing will grow to approximately 120,000 households.

B. Key Factors Contributing to the HousingTO 2020-2030 Action Plan

The HousingTO 2020-2030 Action Plan was developed with a focus on people – and improving the housing, health, and socio-economic outcomes for people and the environment over the next decade. The Plan was informed by market research and forecasting conducted by the Canadian Centre of Economic Analysis and the Canadian Urban Institute and through public consultations held throughout 2019. Details of these inputs are as follows:

1) Recognizing existing investments and updating the Housing Opportunities Toronto: Affordable Housing Action Plan 2010-2020

Since adopting the Housing Opportunities Toronto: Affordable Housing Action Plan 2010-2020, the City has taken significant action to address a range of housing challenges for Toronto residents. A status update on actions recommended through the Housing Opportunities Toronto: Affordable Housing Action Plan 2010-2020 is included in Attachment 4.

The new HousingTO 2020-2030 Action Plan builds upon the existing investments and updates and/or enhances the actions and initiatives to address the current housing crisis and future growth pressures forecasted over the next 10 years.

2) Data on housing trends, facts and future forecasting

In 2018 and 2019, a number of research and policy studies were completed by the City, various academic institutions and think tanks. These studies helped inform public and stakeholder consultations and the development of the HousingTO 2020-2030 Action Plan.

These studies include: the Inclusionary Zoning Assessment Report: Housing Need and Demand Analysis by Toronto City Planning; Big City Rental Blues: a look at Canada's Rental Housing Deficit by RBC Economics Research; and Developing Supportive Housing in Toronto: Experiences, Challenges and Ideas by the Toronto Alliance to End Homelessness.

In addition, the Toronto *Housing Market Analysis: From Insight to Action* commissioned by the City' of Toronto was fundamental in developing the HousingTO 2020-2030 Action Plan (included in Attachment 5).

3) Stakeholders Consultations and the External Advisory Committee

The City, with assistance from LURA Consulting, hosted a series of engagement sessions in 2019 as part of developing the HousingTO 2020-2030 Action Plan. Some 6,000 members of the public and stakeholders from across Toronto's housing spectrum and support agencies participated and provided feedback.

An External Advisory Committee was established to guide the City and inform the Plan. The Advisory Committee was comprised of a number of experts across a wide variety of organizations and sectors, and people with lived experience of poverty, housing insecurity and homelessness.

Stakeholders were instrumental in identifying some "quick fixes" and innovative ideas and opportunities to address the housing crisis. The consultation summary report is included in Attachment 6.

4) Directions from City Council

Over the past year, City Council, the Planning and Housing Committee and members of Council have referred certain matters to be considered as part of the HousingTO 2020-2030 Action Plan. In particular, earlier this year City Council requested staff to include a human rights-based approach to housing in the plan. At the same time, there are other City housing initiatives that are complementary to the HousingTO 2020-2030 Action Plan which are currently being advanced through other City processes.

C. Key Highlights of the Plan

The key highlights of the actions outlined in the HousingTO 2020-2030 Action Plan include:

1) Adopting the revised Toronto Housing Charter: Opportunities for All

The HousingTO 2020-2030 Action Plan proposes to update the City's 2009 Housing Charter to support to recognize and act on the progressive realization of the right to adequate housing consistent with the new *National Housing Strategy Act*.

The Toronto Housing Charter is consistent with the federal Housing Policy Declaration adopted as part the *National Housing Strategy Act* S.C. 2019, c. 29 s. 313.

The Act came into force on July 9, 2019, and states that it is the housing policy of the Government of Canada to recognize that adequate housing is a fundamental human right affirmed in international law and that housing is essential to the inherent dignity and well-being of the person and to building sustainable and inclusive communities.

A human rights based approach to housing, and the City's commitment to move towards a progressive realization of the right to adequate housing, requires a human rights lens on all decisions impacting housing directly or indirectly. City decisions must be consistent with the *Human Rights Code*, R.S.O. 1990, c. H.19 and s.15 of the *Charter of Rights and Freedoms* which protects equality rights. Under the Code, every person has a right to equal treatment without discrimination based on certain grounds (add footnote)¹. The right to equal treatment includes protection against policies, programs and requirements that though they may appear neutral on their face, result in an adverse impact in the sense that they create barriers to housing, for example, based on Code-protected grounds.

The concept of the right to adequate housing has been expressed by the United Nations Committee on Economic, Social and Cultural Rights as including the following aspects: legal security of tenure, availability of services, materials, facilities and infrastructure, affordability, habitability, accessibility, location, and cultural adequacy. International human rights law does not require overnight fixes or for governments to provide houses to all residents. It instead focuses on a progressive realization of adequate housing which, in part, requires a plan to address housing issues.

As the first step in implementing the revised Toronto Housing Charter, the report recommends that the City Manager review and report to Council by the third quarter of 2020 with options to establish a Housing Commissioner role or function. The United Nations Special Rapporteur on the right to adequate housing recognizes that an important aspect to further the progressive realization of the right to adequate housing is effective monitoring of the situation with respect to housing and meaningful participatory mechanisms. The Housing Commissioner role or function will monitor the implementation

¹ The Human Rights Code prohibits discrimination with respect to the occupancy of accommodation (i.e. occupying housing) on these grounds: race, ancestry, place of origin, colour, ethnic origin, citizenship, creed (religion), sex, sexual orientation, gender identity, gender expressions, age, marital status, family status, disability or the receipt of public assistance.

of housing policy and use of resources dedicated for housing, including impacts on persons who are members of vulnerable and priority groups.

The Housing Commissioner role/function will ensure that the City, within its legislative authorities, and through implementation of various programs and policies, is taking concrete actions to combat systematic housing discrimination and address systemic and bureaucratic hurdles in the housing system.

2) Identifying and activating sites appropriate for creating 40,000 permanent new affordable rental and supportive homes

The HousingTO 2020-2030 Action Plan sets targets to be achieved across the housing continuum by 2030, with an overall target of 40,000 new affordable rental homes approvals including 18,000 supportive housing units.

This goal, although ambitious, is a fraction of what is required to fully address the affordable housing needs of the city's current and future residents.

Process for Getting to 40,000 Affordable Rental Approvals

In order to achieve 40,000 affordable rental homes approvals by 2030, the City will undertake a number of initiatives outlined in the HousingTO 2020-2030 Action Plan.

The City will track and report on progress at the following stages:

- 1. Land Bank** – sites identified toward a pipeline and reported annually to Council.
- 2. Open Door Program Approvals** – eligible projects will be brought to Council for approval of Open Door incentives.
- 3. Planning Approvals** – completion of necessary planning approvals.
- 4. Construction Start** – number of homes being built or repaired.
- 5. Occupancy** – number of homes built and/or occupied.

About the Land Bank Initiative

As the first step toward achieving 40,000 affordable rental housing approvals, a public-private-non-profit land bank initiative is being proposed. Proposed land banking partners include the federal and provincial governments, charities and multi-faith groups, non-profit and cooperative housing organizations and private sector organizations.

The City, through activating a “neighbourhood housing initiative” will work with local communities and partners in identifying and setting aside appropriate sites to support a pipeline of new affordable rental homes approvals by 2030. Infill development and revitalization on Toronto Community Housing Corporation sites and co-locating

affordable housing with other City-owned facilities, such as libraries and civic centres, are also an important part of the 40,000 land bank initiative.

Establishing the land bank initiative will create an inventory of sites appropriate for creating the new affordable housing projects. While land at nominal cost or below market rates is the essential building block to developing affordable housing, it does not, in itself, providing enough leverage to stimulate the development of affordable rental homes.

The City's efforts will continue to be key in expanding the Housing Now Initiative to provide additional sites for some 6,700 new affordable and supportive rental homes, and extending the Open Door Affordable Housing Program to provide for financial incentives to activate an additional 20,000 new affordable and supportive rental homes.

Additionally, scaling up efforts to achieve 40,000 new rental homes will require investments through the National Housing Strategy, as well as substantially new initiatives from both the federal and provincial governments. Lastly, the financial and technical resources of the non-profit, private sector and other institutions will be essential in developing site-specific proposals and in activating the overall strategy to get to 40,000 affordable and supportive homes over the next 10 years.

3) Preventing Homelessness and Improving Pathways to Housing Stability

Since 2016, the City has expanded its emergency shelter and 24-hour respite site capacity significantly and Council invested \$178.6 million to build 1,000 new shelter beds to respond to increased demand for temporary emergency shelter services.

However, many people who remain sleeping outdoors, particularly during cold weather, will choose not to access shelter or respite services for a variety of reasons, most often related to complex issues that are key contributors to homelessness. A high percentage of shelter residents also end up returning to the streets. As such, providing permanent supportive housing opportunities is the most effective way to assist individuals move from homelessness to homes.

The HousingTO 2020-2030 Action Plan recommends a number of *actions to increase supportive housing opportunities in the short and medium term. This includes: providing housing benefits to 31,000 households through the Canada-Ontario Housing Benefit program; and requesting the provincial government to increase funding through the provincial Home for Good program and the federal Reaching Home program to create additional housing with support opportunities.*

4) Changing the Definition of "Affordable"

Throughout public and stakeholder consultations on the HousingTO 2020-2030 Action Plan, one consistent concern raised was the increasingly high rental rates across the city. As a result, the public requested that the City, in defining "affordable rent", shift

from using a market-based definition based on a percentage of the city-wide average market rent to a definition which would recognize the ability of a household to pay based on 30% of their income.

The City recognizes the concern in employing a percent of current market rent in the delivery of new affordable rental housing. At the same time, it is challenging to deliver deeply affordable rents in the absence of new rent-geared-to-income programs or greater subsidies to build affordable housing. However, in light of the concerns expressed by the public, there is significant room for improvement.

To address the issue of the definition of affordable rental housing, the City is committed to adopting a new income-based definition for affordable rental housing. Adopting an income-based definition of affordable rental housing will recognize the real ability of residents to afford housing affordability and provide a new framework for the City's delivery of affordable and supportive housing initiatives that target and measure housing affordable to households across a range of income groups.

During 2020 the City will work with external stakeholders to establish the new definition of "affordable" for rental housing developments. The new income-based definition will be updated annually to reflect changes in incomes.

In the short-term, the City will work with all orders of government to align resources and target investments to those most in need. This includes deepening affordability by providing housing benefits to low-income households.

D. Key Guiding Principles

The HousingTO 2020-2030 Action Plan is based on the following key guiding principles:

1. Identify the needs of individuals and groups based on evidence and trends.
2. Provide equitable and measurable housing opportunities that promote better health, social and economic outcomes for people and that recognize that adequate housing is essential to individual dignity and self-worth, and to ensuring individuals have equal opportunities to develop to their full potential.
3. Advance partnerships and collaboration across the housing continuum to create innovative and long-lasting solutions to the housing crisis.
4. Promote strategic alignment of resources and actions by all orders of government as well as the private and non-profit sectors to effectively address housing and homelessness

E. Key Strategic Directions

The HousingTO 2020-2030 Action Plan proposes 76 tactical actions resulting from 13 key strategic directions to help 341,100 households access or maintain good quality, safe, affordable housing options. The 13 key strategic directions include:

1. Ensure that respect for human rights infuses the City's approach to housing and express that approach in a revised "Toronto Housing Charter – *Opportunity for All*"
2. Enhance Partnerships with Indigenous Community Partners
3. Prevent Homelessness and Improve Pathways to Housing Stability
4. Provide Pathways to Support Women
5. Maintain and Increase Access to Affordable Rents
6. Meeting the Diverse Housing Needs of Seniors
7. Ensure Renters Live in Well-Maintained and Secure Homes
8. Support Toronto Community Housing and its residents
9. Continue the Revitalization of Neighbourhoods
10. Create New Rental Housing Responsive to Residents' Needs
11. Help People Buy, Stay in and Improve their Homes
12. Improve Accountability and Transparency in Delivery of Housing Services to Residents
13. Enhance Partnerships and Intergovernmental Strategy

F. Major Targets in the HousingTO 2020-2030 Action Plan

Implementation of the HousingTO 2020-2030 Action Plan will assist **over 341,000 households** across the housing spectrum by:

- Creating **40,000** new affordable rental homes approvals including:
 - 18,000 new supportive homes approvals for vulnerable residents including people who are homeless or at risk of being homeless.
 - A minimum of 25% (10,000) of the 40,000 new affordable rental and supportive homes dedicated to women and girls including female-led households.
- Preventing **10,000** evictions for low-income households through programs such as the City's Eviction Prevention in the Community (EPIC) program.
- Improving housing affordability for **40,000** households:
 - 31,000 households to be helped through the Canada-Ontario Housing Benefit.
 - 9,000 households to continue receive housing allowances.
- Providing support services to **10,000** individuals and families in supportive housing.
- Maintaining affordability for **2,300** non-profit homes after expiry of their operating agreements.
- Improving housing conditions for **74,800** households by repairing and revitalizing Toronto's rental housing stock, including:
 - Repair of 58,500 Toronto Community Housing units.

- Revitalization of 8 TCHC communities to add 14,000 new market and affordable homes and 5,000 replacement homes across the city.
- Bringing 2,300 private rental homes to state-of-good repair.
- Assisting approximately **10,000** seniors remain in their homes or move to long-term care facilities including:
 - Providing property tax relief for 6,000 eligible seniors.
 - Providing home repair assistance for 300 eligible low-income senior homeowners.
 - Redeveloping 1,232 City-owned long-term care beds and creating 978 new beds utilizing provincial investments.
 - Supporting the creation of 1,500 new non-profit long-term care beds.
- Creating **4,000** new affordable non-profit home ownership opportunities.
- Assisting **150,000** first-time home buyers afford homes through first-time Municipal Land Transfer Tax Rebate Program.

CreateTO, the City's real estate agency, is also undertaking a review of real estate options for the revitalization of Toronto Community Housing properties and the City's long-term care sites and opportunities to support the targets and objectives of the HousingTO 2020-2030 Action Plan.

G. Intergovernmental Partnership to Increase Housing Supply

More than ever, all orders of government and housing stakeholders need to work together to provide the necessary resources to meet the needs across the housing spectrum.

The HousingTO 2020-2030 Action Plan requires a combined commitment of \$14.9 billion, including new and enhanced commitments from federal and provincial governments, from 2020-2030. This support is essential for the federal and provincial governments to complement the City's efforts and deliver their 50% share (20,000 units) of new affordable rental and supportive homes as well as to support existing residents living in inadequate conditions.

National Housing Strategy

In November 2017, the federal government introduced Canada's National Housing Strategy. The Strategy is a 10-year plan with over \$55 billion in investments directed at:

- Building 100,000 new affordable housing units;
- Repairing 300,000 affordable housing units;

- Cutting chronic homelessness by 50%;
- Helping 385,000 households maintain an affordable home;
- Providing 300,000 households with financial assistance through the Canada Housing Benefit; and
- Removing 530,000 households from housing need.

H. Required Commitments to support the HousingTO 2020-2030 Action Plan

The following initiatives in the National Housing Strategy are essential in assisting the three orders of government to achieve a combined target of 40,000 new affordable rental homes approvals during the next 10 years and to provide "immediate relief" for over 31,000 households:

1) National Co-Investment Fund: New Construction Stream

- The National Co-Investment Fund was launched in May 2018 and consists of \$4.52 billion in funding and \$8.65 billion in low interest loans.
- The Co-Investment Fund is application based and the City does not have an allocation of funding dedicated to developing new affordable rental and supportive housing based on local priorities.
- In the absence of a dedicated allocation, the City is requesting that the federal and provincial governments dedicate resources to help the City deliver 20,000 new affordable rental and supportive homes over the next 10 years.

2) Rental Construction Financing Initiative (RCFI): Supporting Mixed- Income Communities

- The federal government's support is essential to delivering the Housing Now program. The National Co-Investment Fund and RCFI programs provide funding and financing options to help developers, including non-profits, make projects financially viable.
- The RCFI program currently provides up to \$13.75 billion in loans for the construction of 42,500 units and will run from 2017 to the end of 2027. Continuation of this program past 2027 is an essential component in supporting the targets of the HousingTO 2020-2030 Action Plan, particularly through the Housing Now Initiative.

3) Canada-Ontario Housing Benefit Allocation

- The National Housing Strategy provides for a \$4 billion new housing benefit to be developed in partnership with the provinces and territories to support some 300,000 households.
- As part of the overall \$14.9 billion in support is required from the federal and provincial governments under the HousingTO 2020-2030 Action Plan, the City is requesting that the federal government provide a new investment of \$1.5 billion

over 10 years to Toronto. This would assist some 31,000 Toronto households and provide an "immediate rent relief".

I. Current Commitments to Toronto

To-date, City of Toronto has been allocated the following under the National Housing Strategy:

1) National Co-Investment Fund: Renewal Stream

- \$1.34 billion in grants and low-interest loans over nine years (2019/20 - 2027/28) to support TCHC capital repairs

2) Canada-Ontario Community Housing Initiative (COCHI)

- \$90 million over three years (2019-2022) representing the re-investment of federal funding for non-profit social housing that have been received annually by Service Managers since social housing was downloaded. Funding will be used to protect tenants in projects with expiring operating agreements or mortgages and to begin to stabilize the supply of community housing through rent support for residents, and funding for housing providers to support operation and capital repairs and renovations.

3) Ontario Priorities Housing Initiative (OPHI)

- \$70 million over three years (2019-2022) to be used for: rental housing construction; home repair funding; home-ownership loan funding; and housing allowance/rent supplement programs to make rents more affordable for tenants in existing rental buildings and to provide support services.

4) Reaching Home

- \$123.5 million over 5 years under the new Reaching Home program (formerly the Homelessness Prevention Strategy) which is a direct federal-municipal relationship.

To meet the targets in the HousingTO 2020-2030 Action Plan, it is crucial that the COCHI, OPHI and Reaching Home programs (or similar new programs) and funding commitments continue until 2030.

J. Complementary City Strategies and Initiatives

The HousingTO 2020-2030 Action Plan was developed in alignment with a number of City policies and strategies. These include the Poverty Reduction Strategy, the City-

Wide Real Estate Portfolio Strategy, the Toronto Seniors Strategy 2.0, the Resilience Strategy, and the City's climate action strategy, and the TransformTO. The Action Plan also complements many additional City strategies and initiatives underway to improve access to good quality affordable housing for residents. These include:

1) Inclusionary Zoning

Inclusionary Zoning is a land-use planning tool that enables the City to require affordable housing units be included in new residential developments. Through Inclusionary Zoning, the City has the potential to increase the supply of long-term affordable housing, continue to encourage market housing development by supporting a diverse range of housing supply, and create more inclusive, complete and equitable communities. Inclusionary Zoning was raised frequently throughout consultations on the HousingTO 2020-2030 Action Plan as one of the most important tools in achieving additional affordable housing across the city.

The City has concluded an extensive public and stakeholder consultation process on the proposed Inclusionary Zoning policy direction in alignment with the HousingTO 2020-2030 Action Plan consultation process.

Based on these consultations and recent regulatory changes by the Province, staff will draft Inclusionary Zoning Official Plan policies for consideration by Council in 2020.

2) Legalization of Multi-Tenant Houses and Streamlining Licensing Processes

The Official Plan supports housing diversity for a range of income levels in all neighbourhoods across Toronto. Multi-tenant houses, often referred to as rooming houses, are an important part of the affordable rental housing stock and provide single-room accommodation to a diverse tenant demographic including persons with low and fixed incomes, seniors, students, newcomers and individuals from vulnerable and equity-seeking groups.

The City of Toronto licenses multi-tenant (rooming) houses to ensure that they are safe and well-maintained. The current licensing and zoning regime for multi-tenant houses in Toronto is a patchwork of by-laws that were not updated and consolidated after amalgamation. As a result, multi-tenant houses are only permitted in the former City of Toronto, as well as certain areas in the former Cities of Etobicoke and York. Licensing is a requirement in the former cities of Toronto and Etobicoke, but not for the former City of York.

Since 2014, the City has undertaken a review on options to improve the licensing, regulation, and zoning permissions for multi-tenant housing, including three rounds of public and stakeholder consultations.

Municipal Licensing & Standards will be reporting to the Planning and Housing Committee in early 2020 on options to improve the licensing and regulation of multi-tenant houses, including modernizing the Rooming House Commission, and updating

the licensing requirements for multi-tenant house operators. City Planning is also reviewing the existing zoning regulations for multi-tenant houses with a report anticipated to the Planning and Housing Committee meeting in early 2020.

These efforts will promote increasing the supply of affordable rental homes while proposing mechanisms to increase tenant protection and address the need for responsible and accountable property maintenance and management.

Conclusion

The HousingTO 2020-2030 Action Plan sets Toronto on a new course on housing. This new course recognizes that the future success of Toronto depends on the ability of all residents to have housing choices and opportunities that meet their unique needs.

The HousingTO 2020-2030 Action Plan also takes a bold step in recommending the adoption of an updated "Housing Charter: Opportunity for All", signifying the City's commitment to advancing the progressive realization of the right to adequate housing. In making this commitment, the City is committing to aligning its own efforts with the recently adopted federal legislation. From a City standpoint, this means taking concrete actions, within municipal jurisdiction, to combat systematic housing discrimination and address systemic hurdles in the housing system.

The HousingTO 2020-2030 Action Plan also provides a range of actions, including targets and investments to assist some 818,000 Toronto residents who deserve nothing less than a better housing future for themselves and their families.

Implementation and success of the HousingTO 2020-2030 Action Plan will require a collective effort of all governments – local, regional, provincial and federal. It will also require the resources and expertise of non-profit and private sector groups, and the support and engagement of city residents and neighbourhoods.

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SIGNATURE

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ATTACHMENTS

Attachment 1 - HousingTO 2020-2030 Action Plan

Attachment 2 - Consolidated List of Recommended Actions for the Provincial Government

Attachment 3 - Consolidated List of Recommended Actions for the Federal Government

Attachment 4 - Housing Opportunities Toronto: Affordable Housing Action Plan 2010-2020 - Status Update

Attachment 5 - Toronto Housing Market Analysis: From Insight to Action

Attachment 6 - HousingTO 2020-2030 Action Plan Consultation Summary Report