



2020 Annual Information Return

Item 4

April 27, 2021

Building Investment, Finance and Audit Committee

Report: BIFAC:2020-33

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Chief Financial Officer and Treasurer

Date: March 30, 2021

PURPOSE:

The purpose of this report is to seek the Building Investment, Finance and Audit Committee's ("BIFAC") approval of Toronto Community Housing's ("TCHC") Annual Information Return ("AIR"), prior to May 31, 2021 as required per its Operating Agreement, for the year ended December 31, 2020.

RECOMMENDATIONS:

It is recommended that the BIFAC approve and forward to the Board of Directors (the "Board") for approval the following:

- (1) approve the AIR of Toronto Community Housing Corporation for the year ended December 31, 2020 and;
- (2) that two directors be authorized to sign the report as is required per the Operating Agreement, on behalf of the Board.

REASONS FOR RECOMMENDATIONS:

TCHC is required to file the following items as part of its AIR per clause 4.2 of its Operating Agreement:

- a) a Balance Sheet prepared in accordance with generally accepted accounting principles in Canada (provided in the TCHC financial statements);
- b) an Income Statement prepared in accordance with generally accepted accounting principles in Canada (provided in the TCHC financial statements);
- c) a Statistical Report providing, by program, unit counts, average income levels and number of households by demographic type, the information in the form specified (as addressed in this report); and
- d) such other information requested from time to time by the City as shall be reasonably necessary to permit the City to comply with its reporting requirements under the Act and Regulations, which includes any internal control findings by its external auditors.

Toronto Community Housing is required to report annually, per component (c) above, on the number of units that are rented by households whose income is below the specified “household income limit”, and the number that are over that limit or at market rent, and the number that are vacant. This is a snapshot report taken at the end of the year. The report is divided by programs, and also details the units by type (Family, Seniors and Non-elderly singles) and the units for those with special needs.

The programs are:

- Public Housing – all former Metro Toronto Housing Authority (“MTHA”) building units, and the Limited Dividend and Geared to Income programs from the former Toronto Housing Corporation (“THC”);
- Rent Supplement – internal rent supplement including those buildings under expired operating agreements that have been transferred to rent supplement funding;
- Section 95 Municipal Non-Profits – Municipal Non-Profit program; and
- Provincial Reformed - Non-Profit program.

The elements of this statistical report as at December 31, 2020 are as follows:

TCHC has a total inventory of 58,520 units under its Operating Agreement consisting of:

- 1) 48,381 units that house rent-geared-to-income (“RGI”) tenants. The service level agreement calls for TCHC to have 52,533 rented RGI units, which when we are redeveloping a property is adjusted for demolished (and to be demolished) units that have not yet been replaced – to the current target of 51,830.
- 2) 6,554 units that house Market tenants. A market tenant could be a tenant who has initially signed a Market or an Affordable housing lease (5,546 market leases and 1,008 affordable leases), or a tenant whose household income was above the household income limit (“HIL”) (798 units) and were consequently charged Market rent. The HIL varies from \$44,000 for a bachelor unit to \$73,000 for a 4-bedroom or larger unit. Effective May 2020, TCHC stopped offering new Market rental leases.
- 3) 3,585 units that were vacant, of which 3,414 were RGI units and 171 were Market units.

IMPLICATIONS AND RISKS:

The statistical report, together with the audited consolidated financial statements for the year ended December 31, 2020, provides the required reporting compliance in the Operating Agreement. TCHC was below the occupied RGI unit service level requirement as stipulated in the Operating Agreement by 3,449 units as at December 31, 2020.

The approximately 3,449 units for which TCHC is under the required target is primarily due to the following:

- a) Tenants whose income is greater than the HIL, which is beyond TCHC’s control, that are not included in the RGI count (798 units);
- b) Units unavailable to be leased pending demolition of the building due to revitalization activity at Lawrence Heights, Allenbury Gardens, 250 Davenport, Leslie Nymark and Don Summerville

- (424 units). These units as will be replaced over time as TCHC continues with its various revitalization initiatives;
- c) Units being temporarily held for capital repairs and accessibility modifications (332 units);
 - d) Units held at 389 Church (275 units), where renovations were completed in December 2020. This property was leased to the YWCA in January 2021;
 - e) Units leased to other Agencies pending transfer under the Tenants First initiative (78 units);
 - f) Units being temporarily held for tenants who have to be relocated from their current units due to anticipated revitalization work (167 units);
 - g) Uninhabitable units at Firgrove Crescent (140 units);
 - h) Bachelor and Rooming House units that are not in demand (263 units);
 - i) Units being offered, but leases have not signed (605 units); and
 - j) Other vacant units excluding units being offered and vacant bachelors units (423 units), which includes units in hard to rent buildings.

The Service Manager has been made aware of this variance, and has been provided details on the variance, consistent with prior years where this variance has existed.

SIGNATURE:

“Rose-Ann Lee”

Rose-Ann Lee
Chief Financial Officer & Treasurer

ATTACHMENTS:

1. Service Manager Annual Information Return
2. Annual Information Return Compliance Certificate

STAFF CONTACTS:

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Rose-Ann.Lee@torontohousing.ca

Jeff Sharp, Director, Property Accounting
416-981-4442
Jeff.Sharp@torontohousing.ca

Identification

Corporation name
Toronto Community Housing Corporation
CMSM/DSSAB

I.D. No.	Year end (yyyy/mm/dd)
	2020/12/31

Corporation address	Mailing address
931 Yonge Street Toronto, Ontario M4W 2H2	<same>

Program type	Y/N	# of units
1. Public housing	Y	43,081
2. Rent supplement	Y	6,872
3. Sect 26/27	N	
4. Sect 95 - PNP	Y	
5. Sect 95 - MNP	Y	2,985
6. Section 103	N	
7. Section 106	N	
8. Section 110	N	
9. Urban native	N	
Provincial Reformed	Y	5,582
		58,520

Contact name	Position
Rose-Ann Lee	Chief Financial Officer & Treasurer
	eMail address
	Rose-Ann.Lee@Torontohousing.ca

Telephone number	Fax number
(416) 981-4316	(416) 981-4808

Board of Directors DECLARATION (Must be signed by two members of the Board.)

We declare that, to the best of our knowledge and belief, the information provided in this Annual Information Return and the representations on Page 2 is true and correct.

Signature	Name	Position	Date
Signature	Name	Position	Date

Note to auditors:

Auditors are required to complete/approve the reports on Financial Information contained in the Annual Information Return. (this is now provided in the Financial Statements)

Instructions

This form to be used by all Private Non-Profit Housing Corporations, Municipal Non-Profit Housing Corporations, and Co-operative Housing Corporations. It may be used by Local Housing Corporations.

Social Housing Annual Information Return

Year End: December 31, 2020

Corporation: Toronto Community Housing Corporation

Management Representation Report

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Note 1: The Housing Services Act, 2011 and its regulations are referred to as HSA throughout these representations.

Note 2: If the answer to any question, other than number 5, is "No", please provide explanatory details.

Note 3: All questions are to be answered as of the end of the fiscal year. Question 11 to 13 should cover the fiscal year as well as the months preceding the filing of this report.

The following questions relate to both formerly federal and formerly provincial projects. The questions should be answered with respect to the provisions of the HSA and/or any formerly federal operating agreement that your corporation may be governed by.

GOVERNANCE

1) Does the corporation follow the required conflict of interest provisions? Y N NA

RESIDENT RELATIONS

- 2) Did the corporation select applicants as required? Y N
- 3) Were all RGI households charged the rent required? Y N NA
- 4) Did the corporation comply with its mandate and targeting plan in housing applicants, if applicable? Y N NA

FINANCIAL MANAGEMENT

- 5) Did the corporation receive a management letter from its auditors reporting serious deficiencies in internal controls or operations? (If yes, attach a copy of the letter.) Y N
- 6) Were expenses allocated to any non-shelter component as required? Y N NA
- 7) Was the shelter component of the corporation's revenue used only for shelter purposes? Y N NA
- 8) Did the corporation invest its Capital Reserve Fund as required? Y N NA
- 9) Did the corporation make all transfers to and expenditures from the Capital Reserve Fund as required? Y N NA
- 10) Did the corporation comply with the requirement in the HSA to participate in a system for group insurance of housing providers? Y N NA

MORTGAGE

- 11) Is the corporation in compliance with its obligation not to mortgage or encumber, replace or amend the mortgage? Y N
- 12) Are all other mortgages the corporation may have in good standing? Y N
- 13) Is the corporation free and clear of material contingent liabilities and legal disputes? Y N

SHB 01/02

**Social Housing
Service Manager Annual Information Return
City of Toronto**

December 31, 2020

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Combined Statistical Information

All Units Under Administration by Service Manager		Unit of Measure	Public Housing	Rent Supplement	Limited Dividend	Section 26	Section 27	Section 95 PNP	Section 95 MNP	Provincial Reformed	Pre-1986 Urban Native	Post-1985 Urban Native
I. Households assisted by program type			Program 01	Program 02	Prog 03	Prog 04	Prog 04	Program 05	Program 05	Program 06	Program 07	Program 08
RGI households with incomes at or below the HILs												
Households assisted by program (at end of 2101)	Households	37,890	4,915					N/A	1,203	4,373	N/A	N/A
Non-RGI households and RGI households with incomes above the HILs												
Households assisted by program (at end of 2105)	Households	2,226	1,561					N/A	1,713	1,054	N/A	N/A
Vacant Units	2106	Households	2,965	396				N/A	69	155	N/A	N/A
Total			43,081	6,872				-	2,985	5,582	-	-
II. Household types assisted and average gross incomes (at year end)												
Families												
RGI households with incomes at or below the HILs												
Total number of targeted households s	2111	Households	14,027	972				N/A	480	790	N/A	N/A
Average annual gross household incor	2113		\$22,177	\$21,562				N/A	\$22,861	\$22,910	N/A	N/A
Non-RGI households and RGI households with incomes above the HILs												
Total number of non-targeted househo	2115		1,390	730				N/A	985	549	N/A	
Seniors												
RGI households with incomes at or below the HILs												
Total number of targeted households s	2121		14,193	1,874				N/A	254	2,213	N/A	N/A
Average annual gross household incor	2123		\$20,792	\$20,374				N/A	\$22,916	\$21,673	N/A	N/A
Non-RGI households and RGI households with incomes above the HILs												
Total number of non-targeted househo	2125		554	270				N/A	254	226	N/A	
Non-elderly singles												
RGI households with incomes at or below the HILs												
Total number of targeted households s	2131		9,218	1,998				N/A	440	1,082	N/A	N/A
Average annual gross household incor	2133	\$	\$12,826	\$12,515				N/A	\$14,610	\$14,598	N/A	N/A
Non-RGI households and RGI households with incomes above the HILs												
Total number of non-targeted househo	2135	Households	282	561				N/A	474	279	N/A	
Special needs												
RGI households with incomes at or below the HILs												
Total number of targeted households s	2141	Households	452	71				N/A	29	288	N/A	N/A
Average annual gross household incor	2143	\$	\$21,400	\$22,020				N/A	\$21,831	\$20,043	N/A	N/A
Non-RGI households and RGI households with incomes above the HILs												
Total number of non-targeted househo	2145	Households						N/A			N/A	

Memo

To: Board of Directors
Toronto Community Housing Corporation

From: Rose-Ann Lee
Chief Financial Officer & Treasurer

Date: March 22, 2021

Re: **Annual Information Return**

I, Rose-Ann Lee, in my capacity as Chief Financial Officer & Treasurer of Toronto Community Housing Corporation and not in my personal capacity, hereby certify that to the best of my knowledge:

1. For the 2020 fiscal year, attached is the Annual Information Return required to be submitted to the Service Manager in compliance with the Operating Agreement between Toronto Community Housing Corporation and the City of Toronto (Service Manager).
2. I have reviewed, or caused to review, such files, books, and records of Toronto Community Housing Corporation and have made, or caused to be made, such enquiries of Toronto Community Housing Corporation employees under my direct supervision as I have determined necessary for the purpose of this certificate.
3. The report has been developed from a download of the TCHC rent system listing the following information for each unit: rental status (occupied or vacant), unit size, family type, household income, whether it is rent geared to income (RGI) or market rent, the program for the building unit, and any special needs.
4. The total number of units are reconciled to the previous year, adjusting for additions and disposals. The units are then summarized by the program types, with breakdowns into the number of units that are RGI and whose incomes are at or below the household income limit thresholds set by the province, the number above that or at market rent, and the number that are vacant. The RGI is further broken down by family type, noting their average household income, and also the number of units housing tenants with special needs and their average household income.

Regards,

Rose-Ann Lee

Rose-Ann Lee
Chief Financial Officer & Treasurer
Toronto Community Housing Corporation