

Toronto Community Housing



TCHC's Annual Information Return

Item 7B

April 22, 2024

Board of Directors

Report: TCHC:2024-21

To: Board of Directors (the "Board")

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

Date: April 9, 2024

PURPOSE:

The purpose of this report is to seek the Board of Directors' (the "Board") approval of Toronto Community Housing's ("TCHC") Social Housing Annual Information Return ("AIR") for the year ended December 31, 2023, per its Operating Agreement with the Service Manager.

RECOMMENDATIONS:

It is recommended that the Board:

1. Approve TCHC's Annual Information Return for the year ended December 31, 2023; and
2. Authorize the Board Chair and BIFAC Chair to sign the Board of Directors' Declaration on behalf of the Board.

BIFAC:

This report will be considered by the BIFAC on April 22, 2024.

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.

TCHC is required to report annually, as per (c) above, the number of households whose income is below and above the specified “household income limit” (“HIL”), households at market rent, and the number of units that are vacant.

The information presented in this report is a snapshot taken at the end of the year. The report is divided by programs, specifically how each program supports the various unit types (Family, Seniors, Non-elderly singles and units with special needs). In addition, and new in 2022, the number of rent-geared-to-income (“RGI”) households deemed to be High Need has been identified.

Service Manager	Area	Annual household income limit				
		Bachelor unit (\$)	1-bedroom unit (\$)	2-bedroom unit (\$)	3-bedroom unit (\$)	4-bedroom unit or larger (\$)
City of Toronto	Whole service area	32,100	37,500	42,900	47,400	49,500

The program types are:

- Public Housing: all former Metropolitan 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.

TCHC has a total inventory of 57,562 units under its Operating Agreement consisting of:

- RGI tenants: 48,570 units. Of these units, 42,800 or 88%, of RGI households are deemed to be High Need. The Operating Agreement requires TCHC to have 52,533 rented RGI units, which has been adjusted to the current target of 51,714 and reflects units being redeveloped where a property has been demolished (or is to be demolished) and units have not yet been replaced.
- Market tenants: 6,155 units. Effective May 2020, and in collaboration with the Service Manager, TCHC stopped offering new Market rental leases in an effort to ensure we were meeting our prescribed RGI service levels. A market tenant includes:
 - a tenant who has initially signed a Market or an affordable housing lease (4,234 market leases and 1,013 affordable leases in 2023)
 - an RGI household loses subsidy and becomes a Market tenant (267 units in 2023)
 - a tenant whose household income was above the household income limit (“HIL”) (641 units in 2023) and were consequently charged Market rent. The HIL varies from \$53,500 for a bachelor unit to \$82,500 for a 4-bedroom unit or larger.
- Vacant units: 2,837 units, of which 2,625 were RGI units, and 212 were Market units.

IMPLICATIONS AND RISKS:

As at December 31, 2023, TCHC was below the service level requirement as stipulated in the Operating Agreement by 3,144 units, which includes the 636 RGI units transferred to agencies during 2022 and 2023. The 3,144 units are the difference between the adjusted service level of 51,714 and the actual occupied RGI units of 48,570.

The breakdown of the 2,508 units, by excluding the 636 transferred RGI units, is as follows:

Number of units below service level	2,508	
<i>Breakdown</i>		
Description	Unit Count	% of Total
Tenants income greater than HIL (beyond TCHC control and cannot include in RGI)	641	26%
units unavailable due to revitalization: Lawrence Heights, Atkinson Co-op and Don Summerville (excluding Regent Park units)	157	6%
Temporarily held for capital repairs and accessibility modifications	315	13%
Units held for relocation	86	3%
Uninhabitable units at Firgrove	230	9%
Uninhabitable units at Swansea Mews	154	6%
Units offered but leases not signed yet	146	6%
Units held for the City (192 units: 157 units reserved for the central wait list and 35 units dedicated to Rapid Housing program);	192	8%
Units with minor repairs, to be leased	434	17%
Units being held for crisis transfer	106	4%
Held for agency use/Recreation Purpose/Staff use etc.	47	2%
Total	2,508	

The Service Manager is provided details on the above noted variance on a quarterly basis. This is also consistent with prior years' variance trending.

SIGNATURE:

"Lily Chen"

Lily Chen
Chief Financial Officer and Treasurer

ATTACHMENTS:

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

STAFF CONTACT:

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