

2023 Capital and Operating Budgets

Submission to Members of the Budget Committee

January 16, 2023

Submission by: Right to Housing Toronto



Councillor Gary Crawford
Chair of the Budget Committee
City of Toronto
100 Queen Street West
Toronto, ON M5H 2N2

Dear Members of the Budget Committee,

Re: 2023 Capital and Operating Budgets

We are representatives of the Right to Housing Toronto (R2HTO), a network of organizations and individuals working to support the implementation of the right to housing by the City of Toronto. We are writing to you to comment on the City's capital and operating budget for 2023. Over the last year, the escalating cost of living, including in housing, has pushed a growing share of Torontonians to live in precarious conditions, often at the risk of being evicted. With a recession in the horizon, it is likely that the problems of housing instability and affordability will persist and worsen, disproportionately affecting some of our communities' lowest income households. Investing in housing will remain a top priority this year.

We are therefore pleased to see housing retaining a reasonable amount of prominence in the City's proposed budget. Notably, we look forward to funds being spent to flesh out functions of a Housing Commissioner within the Ombudsman's Office. Since the onset of the pandemic, we have been calling for setting up such an accountability mechanism because it helps create the conditions for the City to systematically realize the right to housing for its residents. The need for such an office remains critical in light of the looming economic headwinds that threaten the housing security of many Torontonians. By extension, such disruptions risk compromising their right to adequate housing which the City has committed to realizing for its residents in its HousingTO 2020-2030 Action Plan

Several other commitments in the housing portfolio are also encouraging to see. For example,

- Funding for new staff to help push forward the legalization of multi-tenant housing is long overdue and most welcome. We look forward to seeing these investments help transition unregulated units into a stock of safer, more stable and livable homes than they once were for some of Toronto's lowest income households. However, there is a clear risk that under a new regulatory framework many units may instead be sold off or subdivided into smaller units for higher rents. It is therefore important for the City to set aside funds in the form of grants or loans to help landlords bring these formerly unregulated units up to code and prevent the pursuit of alternative options that may displace existing tenants.
- Funding enhancements for the City's nascent MURA program also holds promise in alleviating some of the affordability challenges of lower income Torontonians by quickly bringing to market, deeply affordable housing options.

- More investment in the EPIC program is an equally commendable move given such targeted, preventive measures are more cost effective in providing housing stability than emergency shelters.

While we are happy to see funding enhancements, we do remain concerned about whether the increases will be sufficient to meet the needs of our city's residents. For example, homelessness figures have remained alarmingly high over the last few years and are likely an undercount. Measures should therefore be explored to create more shelter options on top of some of the added capacity made available for this year. A more robust approach should also ensure adequate provision of cooling and warming centers.

In addition, we question funds to handle encampment residents being allocated to the Office of Emergency Management instead of Shelter, Support and Housing Administration. The City's own Ombudsman had earlier remarked on the suitability of the former office in engaging with encampment residents. In essence, framing encampments in terms of an emergency creates fraught relationships with encampment residents who tend to view these settings as homes even if they are temporary options.

Clearly, some funding gaps remain even as the proposed investments hold promise. To strengthen the current budget and future iterations, we recommend the City take a closer look at how its spending plans measure up against a rights-based approach to housing. In such a framework, investment decisions would consistently evaluate whether the maximum available resources are being made available, prioritizing those who need it the most. A more participatory approach to budgeting can also help.

Thank you,
On behalf of Right to Housing Toronto (R2HTO)