

2024 Capital and Operating Budgets

Submission to Members of the Budget Committee

January 26, 2024

Submission by: Right to Housing Toronto



right2housingto.ca

Twitter: @R2HTO

Councillor Shelley Carroll
Chair of the Budget Committee
Toronto City Hall
100 Queen Street West
Toronto, ON M5H 2N2

Dear Members of the Budget Committee,

Re: 2024 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 comment on the proposed 2024 City of Toronto Capital and Operating Budgets.

The City recognized housing as a human right in its HousingTO 2020-2030 Action Plan, enshrining its duty to respect, protect, and fulfill the right to adequate housing for all Toronto residents. This important commitment requires a rights-based approach to housing and homelessness policy development and decision-making, with the goal of recognizing and upholding the [seven elements of adequate housing](#): affordability, security of tenure, habitability, accessibility, location, availability of services, and cultural adequacy.

In the midst of an escalating cost of living and affordability crisis, ensuring that all Toronto residents have access to adequate housing is critical to supporting a prosperous and equitable city. Currently, Toronto renters (who make up [nearly half of Toronto households](#)) are at a tipping point as they face [precarious and unstable housing conditions](#), [ballooning rents](#), and [limited options](#) in the private rental market, while [waitlists](#) for social housing continue to grow. As a result, displacement and homelessness continue to increase across the city, disproportionately impacting [Indigenous, Black, racialized, and other equity-deserving communities](#).

We are encouraged by the focus on housing and shelter in the proposed 2024 budgets, which reflect the strong public support for these services in the City's initial budget consultation process. However, the proposed investments will not go far enough to meet the depth of need facing Toronto residents, in particular for low income renters and other equity-deserving groups. The most affordable homes are the ones we already have, yet the City is [losing approximately 15 existing private affordable units for every new unit built](#).

To effectively tackle the current crisis, solutions must prioritize renter protections and affordable housing preservation, alongside building more supply, in particular, deeply affordable, non-market homes. Not only are these approaches more cost effective from a municipal budgeting perspective, but they will also help uphold renter rights and security, prevent the further loss of affordable housing, maintain reasonable rental rates, and ultimately mitigate the social and economic impacts of homelessness, including pressure on costly public services, such as shelters, healthcare, justice, and other social services.

We are pleased to see a significant increase in new and enhanced spending in the proposed 2024 City of Toronto Capital and Operating Budgets compared to previous years, with over half of new spending directed to housing and shelter. In particular, we support:

- Additional rent-geared-to-income (RGI) subsidies, which will increase access to deeply affordable housing for low income households.
- Increased shelter system capacity and funding for the Winter Services Plan for People Experiencing Homelessness, which will help meet the growing needs of unhoused residents, especially over the challenging winter months.
- Collaboration with the provincial and federal governments through the New Deal and Housing Accelerator Fund (HAF) respectively, which will provide much-needed funding to support critical city programs and services, including housing and shelter.

Notwithstanding these important commitments, critical gaps remain in the proposed budgets as it relates to protecting renters and preserving affordable housing. We encourage the Budget Committee to explore further opportunities to expand and build upon the following initiatives:

- **Multi-Tenant Housing (MTH):** While we are encouraged to see funding toward the implementation of the new MTH regulatory framework, new investments are solely allocated toward renovations and licensing, with no additional funds directed toward supporting, educating, and protecting renters. In the absence of these supports, the new MTH framework may lead to increased rates of displacement and homelessness, putting additional undue pressure on the city's already strained shelter system.
- **Multi-Unit Residential Acquisition (MURA):** Given the initial success of the MURA program in partnering with non-profit housing providers to preserve affordable housing across the city, HAF funding should be committed to accelerate and expand the number of MURA acquisitions, alongside increased city allocations.
- **Eviction Prevention in the Community (EPIC), Toronto Rent Bank, and Toronto Tenant Support Program (TTSP):** EPIC, Toronto Rent Bank, and TTSP provide essential supports to renters facing eviction, helping to protect tenancies, and in turn, preserving the stock of affordable housing in the city. Further investments toward these programs should be prioritized, especially in light of the risks posed by the new MTH framework.
- **RentSafeTO:** RentSafeTO is critical to ensuring rental units remain in a state of good repair, ultimately helping to protect existing affordable housing stock over the long-term. While we are encouraged by commitments toward increased review and enforcement through RentSafeTO, additional resources are needed to ensure assessments and repairs are done in a timely fashion. Moreover, given the current parameters of the program, the City should also explore opportunities to expand the scope and impact of RentSafeTO through a more robust landlord licensing system.
- **Housing At-Risk Table (HART):** HART presents a key opportunity for further City action to protect renters and preserve affordable housing, including through implementation of the Renoviction By-law. Following the recent adoption of a [similar bylaw in Hamilton](#), it is incumbent on the City to expedite this work to extend similar protections to Toronto

renters. Similarly, the City should take action to ensure the Rental Demolition and Conversion By-law does not lead to [undue renter displacement](#), including through effective monitoring and accountability processes.

- **Ongoing provincial and federal collaboration:** Despite securing significant initial funding commitments from higher orders of government, further provincial and federal contributions are needed to tackle Toronto's housing affordability crisis, including providing greater access to the Canada-Ontario Housing Benefit (COHB), developing and preserving more affordable housing, and increasing shelter capacity and homelessness support programs.

We also wish to note our support for the proposed property tax rate increase, which will help support Toronto's urgent and long-term housing and shelter needs. However, an unintended consequence of the proposed approach is that increased property tax rates may be passed on to renters through the form of above guideline rent increases (AGIs), ultimately undermining the impact of greater municipal revenue for housing and other social services. To that end, we encourage the City to explore opportunities to restrict the impact of property tax increases on low income renters, which could include [phasing in the increase over two to three years](#).

At this critical moment in the city's housing affordability crisis, significant gaps remain in the proposed 2024 Capital and Operating Budgets to advance the right to housing in Toronto by protecting renters, preserving affordable housing, and building an equitable city for all. R2HTO looks forward to reviewing the final budget document and welcomes opportunities to support the City in implementing a rights-based approach to housing.

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



right2housingto.ca | @R2HTO