

2024 City of Toronto Budget Analysis

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Introduction

Right to Housing Toronto (R2HTO) is a network of organizations and individuals working to support the implementation of the right to housing by the City of Toronto. We have been eagerly following the 2024 City of Toronto budget process, particularly as it relates to protecting renters and preserving affordable housing across the city.

2024 Budget Overview

City Staff Proposed Budget

The 2024 budget process included a series of public consultations and proposals from City staff and the Budget Committee, alongside a proposed budget from the Mayor, in line with [recent changes to the *City of Toronto Act*](#). City staff released a [proposed budget](#) on January 10, which included unprecedented new and enhanced spending, amounting to \$152 million. Over half of the new spending (\$82 million) was dedicated to housing and shelter, reflecting the strong public support for these services relayed in the City's initial budget consultation process. Some highlights of the proposed new funding included:

- Investments for renovations (\$2 million) and inspections (\$4.9 million) under the new the **Multi-Tenant Housing (MTH)** regulatory framework.
- Increased funding for the **Multi-Unit Residential Acquisition (MURA)** program in 2025 and 2026 (\$10 million per year).
- Additional **rent-geared-to-income (RGI)** unit subsidies (\$3.5 million).
- Additional staff for the **Renter Strategy Team** (\$0.4 million), **Homelessness Prevention Program** (\$1.5 million), and **Business Transformation** (\$0.3 million).

City staff also proposed a nine per cent **residential property tax increase**, with a 4.5 per cent increase for multi-residential properties (plus a 1.5 per cent City Building Fund increase for transit and housing).

R2HTO Submission

In response to the staff prepared budget, R2HTO prepared a [submission](#) recognizing the importance of new spending on housing and shelter, while emphasizing the need for greater investments to advance the right to housing. Key areas for improvement and expansion included:



- **MTH**, including targeting supports for renter education and displacement.
- **MURA**, including leveraging federal funding through the **Housing Accelerator Fund (HAF)**.
- **Eviction Prevention in the Community (EPIC)**, **Toronto Rent Bank**, and **Toronto Tenant Support Program (TTSP)**, especially considering the risks of increased displacement posed by the new MTH framework.
- **RentSafeTO**, including expanding its scope and impact.
- **Housing At-Risk Table (HART)**, including implementing the **Renovictions By-law** and effectively monitoring the impacts of the **Rental Demolition and Conversion By-law**.
- Ongoing **provincial and federal collaboration**, including expanding the **Canada-Ontario Housing Benefit (COHB)**, developing and preserving more affordable housing, and increasing shelter capacity.

R2HTO also encouraged the City to take a phased-in approach to its proposal to increase property tax rates to **avoid triggering above-guideline rent increases (AGIs)** for renters.

Mayor's Proposed Budget

Following public hearings and deputations on the staff budget, the Budget Committee released [recommendations](#) for the Mayor's consideration on January 26, which included:

- **Improving affordability** for residents and building upon existing programs that **support renters and those at risk of homelessness**.
- A multi-residential property tax increase below the threshold to **prevent AGIs**.

On February 1, Mayor Olivia Chow released her [proposed budget](#), which included additional funding commitments toward key housing programs and services, including:

- Increased funding for **MURA** (\$41 million in 2024, totaling \$100 million over three years), **Toronto Rent Bank** (\$1 million), and **TTSP** (\$0.3 million).
- Additional staff for **EPIC** (\$0.9 million) and **RentSafeTO** (\$0.9 million).

The Mayor also proposed a slightly lower property tax rate increase (eight per cent), with a proposed total multi-residential tax rate increase of 3.5 per cent, which would be **below the AGI threshold**.

In addition, on February 2, the federal government [announced](#) \$162 million to support refugees and low-income renters in Toronto, including \$143 million through the **Interim Housing**



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Assistance Program (IHAP) for shelter capacity for asylum claimants and \$19.8 million to increase the **COHB**.

City Council considered the Mayor's budget on February 14. Alongside additional investments toward policing, snow drift clearing, arts organizations, and other initiatives, Council [approved](#) the Mayor's budget.

R2HTO Analysis

2024 Budget Key Takeaways

The 2024 City of Toronto Budget commits historic new investments for affordable housing and supports for renters across the city, marking a significant departure from previous budgets focused on keeping property tax increases low and prioritizing homeowners over renters. R2HTO strongly supports the budget's increased investments toward the preservation of affordable housing and protections for renters, which are critical to advancing the right to housing.

In particular, we are glad to see a significant increase in funding for **MURA** beginning this year (funded in part through dedicated funds from the federal **HAF**), which will expedite the acquisition and preservation of more affordable housing across the city. We are also encouraged by increased investments toward **Toronto Rent Bank** and **TTSP**, greater staff complements for **EPIC** and **RentSafeTO**, and additional federal funding for the **COHB**, all of which will help ensure low-income and other vulnerable renters can remain housed.

We commend Mayor Chow for demonstrating strong acumen around **provincial and federal collaboration**, securing much needed funding to meet the needs of Toronto residents. Additionally, we support the **property tax rate increases**, including for multi-residential properties, which will protect renters in rent-controlled units from untenable **AGIs**.

Notwithstanding these important investments and initiatives, there are a few key areas where the 2024 budget could have gone further to realize the right to housing for renters across the city.

Of critical concern is the lack of funding for renter support, education, and protection under the new **MTH framework**. This poses a significant risk of displacement and homelessness, considering that MTH's provide some of the city's most affordable housing to some of its most vulnerable residents. As the City prepares to roll out its new MTH framework in April, it should explore options to support renters, in addition to further engagement and education with MTH operators to discourage and mitigate potential MTH losses.



While we support the increased investments toward other renter support programs, they fall short of Mayor Chow’s [election campaign commitments](#), which included tripling **EPIC** and doubling **Toronto Rent Bank** funding to meet the depth of need facing renters. In fact, as noted below, EPIC received less new funding in the 2024 budget compared to the previous year, while Toronto Rent Bank received the same level of new funding. Further, while additional staff for **RentSafeTO** will help increase capacity for unit assessments and repairs, the program could have a much greater impact through a more robust [landlord licensing system](#).

With respect to affordable housing preservation, the Mayor [previously committed](#) \$100 million annually toward an affordable housing acquisition program, whereas **MURA** will ultimately receive \$100 million over three years. In addition to exploring options to continue scaling up MURA, the City must adequately monitor and report on its efforts toward housing preservation and development to ensure they are not contributing to the loss of existing affordable housing stock. Similarly, immediate action should be taken to expedite the launch of **HART**, including implementation of the **Renovictions By-law** and more effective monitoring and reporting on the **Rental Demolition and Conversion By-law**.

Year-Over-Year Comparison

While gaps remain in the 2024 City of Toronto Budget, it is worth examining some of its key housing-related commitments in relation to previous budgets, considering the significant shifts in approach toward taxation and spending.

	2023	2024	YoY \$	YoY %
MTH	+\$3.5 million ¹	+\$2 million ²	-\$1.5 million	-43%
MURA	No new \$	+\$41 million	+\$41 million	+100%
EPIC	+\$1.1 million	+0.9 million	-\$0.2 million	-18%
Toronto Rent Bank	+\$1 million	+\$1 million	No change	No change
TTSP	No new \$	+\$0.3 million	+\$0.3 million	+100%
RentSafeTO	+\$0.9 million	+\$0.9 million	No change	No change
Residential tax rate increase³	7%	9.5%		+2.5%
Multi-res. tax rate increase⁴	4.25%	3.5%	-	-0.75%

¹ This funding is from the Municipal Licensing & Standards Division to support the design and implementation of the new MTH regulatory framework.

² This funding is from the Housing Secretariat Division to support MTH renovations and repairs.

³ Inclusive of property tax rate and city building fund increases.

⁴ Inclusive of property tax rate and city building fund increases.



The 2024 budget marks a significant increase in housing-related investments compared to the previous year, with the additional \$41 million for **MURA** comprising the vast majority of new and enhanced housing-related funding. While the 2024 budget also invests more toward **TTSP**, interestingly, there was a decrease in overall new spending for the **MTH** framework and **EPIC**, while new funding levels remained the same for **RentSafeTO** and **Toronto Rent Bank** compared to 2023, as noted above. Moreover, all MTH funding to date has been dedicated toward planning, licensing, enforcement, renovations, and repairs, with no funding allotted for renters.

Little progress was made in the 2024 budget to advance the launch of **HART** and implement the **Renovictions By-law**, following the introduction of those initiatives in the 2023 budget, aimed at supporting renters who have been evicted or are at risk of eviction. However, the **residential tax rate** continued to increase in the 2024 budget to adequately fund urgently needed city programs and services, while the multi-residential rate decreased compared to the 2023 budget, with a particular focus on protecting renters from **AGIs**.

Considering the concerning rate of [affordable housing loss](#) across the city, it is encouraging to see the 2024 budget prioritize the preservation of existing affordable housing through partnerships with the non-profit and Indigenous housing sectors. However, to meaningfully advance the right to housing and define itself in contrast to the previous administration, the new administration under Mayor Chow must also ensure that adequate supports are in place to keep renters housed affordably and sustainably.

Next Steps

R2HTO looks forward to ongoing collaboration with City officials and staff, alongside community partners, to support the implementation of the right to housing for all Toronto residents. This will include ongoing monitoring, reporting, policy, education, engagement, and capacity building on the City's progress on the right to housing.



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