

# 2025 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. The budget process is a critical way for the City to tangibly uphold its commitment to the right to housing by prioritizing, maximizing, and dedicating investments in programs, services, and infrastructure that will meet the needs of residents most impacted by the housing affordability crisis. In line with R2HTO's key priority areas, this includes supporting and protecting renters from displacement (and potential homelessness) and preserving affordable housing across the city.

## 2025 Budget Overview

### City Staff Proposed Budget

The 2025 budget process included a series of public consultations and proposals from City staff the Budget Committee, and the Mayor. City staff released a [proposed budget](#) on January 13, 2025, which contained some modest new and enhanced funding for programs and services to support renters and protect affordable housing, including:

- **Rent Bank:** an additional \$1 million, estimated to support an additional 300 households from avoiding eviction.
- **Eviction Prevention in the Community (EPIC):** an additional \$0.8 million for a new Interim Rent Relief Pilot benefit, estimated to support up to 170 households transitioning from lower to higher incomes.
- **Toronto Tenant Support Program (TTSP):** an additional \$0.4 million for one new position and additional funding for the three TTSP agencies to deliver enhanced renter outreach, education, and engagement related to the forthcoming **renovictions bylaw** and new **Multi-Tenant Housing (MTH) regulatory framework**.
- **Housing development, renewal, and improvement:** an additional \$0.3 million for three new development positions in under-resourced program areas, including the new **MTH renovation program** and the **Multi-Unit Residential Acquisition (MURA) program**.
- **Rental renovation licence program:** \$1.4 million for 14 new positions to administer, investigate, and enforce the new renovictions bylaw, plus funding for public education and communication.
- **RentSafeTO:** an additional \$1.4 million for 10 new positions to enforce rental building maintenance standards.



- **Community housing operating subsidies:** an additional \$1.2 million to support the operations of Toronto Community Housing Corporation (TCHC) and Toronto Seniors Housing Corporation (TSHC).

The staff prepared budget also set out the City's 10-year capital plan, which included modest investments in **MURA** ([\\$18 million in 2025](#)) and the **MTH renovation program** ([\\$3 million in 2025](#)). However, these funding allotments reflect commitments made in the 2024 budget and do not appear to be new investments.

## R2HTO Budget Engagement

In response to the staff prepared budget, R2HTO collaborated with community partners to share information about key proposed budget investments, support renter engagement in the budget process, and provide feedback and recommendations to the City, including by:

- Sharing an [initial analysis of housing and renter impacts](#) in the staff prepared budget at Social Planning Toronto's (SPT) [Budget Town Hall](#).
- Partnering with SPT and other community organizations to host a [Housing Deputation Workshop](#) to support renters in engaging in the City budget deputation process, including by co-developing [key messages](#) related to renter supports and protections.
- Preparing a [submission](#) outlining our key priorities for increased and sustained investments in renter supports and affordable housing preservation.

Our key recommendations for the 2025 budget included:

- **Renter supports:** further investments in critical renter support programs, including Rent Bank, EPIC, and TTSP, especially in light of the forthcoming renovictions bylaw and new MTH framework, alongside other ongoing rental challenges.
- **MTH renovation program:** increased funding to support operators to come into compliance with the new MTH framework and prevent renter displacement, alongside additional support for MTH renters.
- **MURA:** prioritization and maximization of funding for greater impact, given MURA's success in preserving affordable rental housing.
- **Staff direction and support:** to monitor, track, and report on new and existing rental programs, alongside program outreach, education, and navigation for renters, including the launch of the delayed **Housing At-Risk Table (HART)**.
- **RentSafeTO:** additional resources to ensure assessments and repairs are done in a timely fashion and to explore a more robust landlord licensing system.



- **Homelessness response:** collaboration with the homelessness sector to increase shelter capacity, take a rights-based approach to encampments, and increase the supply of supportive housing.
- **Ongoing provincial and federal collaboration:** to provide greater access to the **Canada-Ontario Housing Benefit (COHB)**, develop and preserve more affordable housing, and increase shelter capacity and homelessness support programs.

## Mayor's Proposed Budget

Following public hearings and deputations on the staff prepared budget, the Budget Committee released [recommendations](#) for the Mayor's consideration on January 24, 2025. While the Budget Committee did not recommend additional investments in renter supports or affordable housing preservation, it recommended further funding for the shelter system and ongoing advocacy to the federal and provincial governments.

On January 30, 2025, Mayor Olivia Chow released her [proposed budget](#). The Mayor's budget maintained the program and service enhancements in the staff prepared budget, while providing some additional investments, notably a further \$0.4 million for **TTSP** (for a total of \$0.7 million new program funding in 2025). This reflects City Council's [previous request](#) to increase TTSP by \$0.7 million in November 2024 to provide additional legal resources and other supports for renters during the period before the renovictions bylaw comes into effect (recognizing that renters could be particularly vulnerable to renovictions during this time).

City Council considered the Mayor's budget on February 11, 2025. Alongside additional investments in drop-in services, community development initiatives, food security initiatives, and other program areas, Council [approved](#) the Mayor's budget.

## R2HTO Analysis

Following historic investments in affordable housing and renter supports in the [2024 budget](#), the 2025 budget makes modest new investments in these areas. The 2024 budget was the first under Mayor Chow's administration and marked a significant departure from previous budgets that had focused on keeping property tax increases low and prioritizing homeowners over renters. However, the modest investments in renter supports and affordable housing in the 2025 budget stand in contrast to public sentiment: the majority of respondents (67 per cent) to the City's [initial consultation on the budget](#) identified affordable housing and shelter as the top services requiring increased support.

Nevertheless, we are encouraged to see additional investments in critical renter support programs and increased staffing levels to support the implementation of new and ongoing rental



programs. Renters make up nearly half of all Toronto residents, with equity-deserving renters facing disproportionate rates of housing insecurity and eviction. Investing in eviction prevention and stability programs and other initiatives to preserve existing affordable housing are thus critical to upholding the right to housing.

The additional \$2.5 million directed to **Rent Bank** (\$1 million), **EPIC** (\$0.8 million), and **TTSP** (\$0.7 million) for 2025 are much needed to support renters facing eviction, displacement, and other challenges with their tenancies. However, notwithstanding the important top-up to TTSP committed in the final budget, it remains unclear whether the additional \$0.7 million will be sufficient to provide legal support and education for renters related to the new MTH framework, the forthcoming renovations bylaw, and the many other ongoing rental issues across the city (e.g., rental demolitions, above-guideline rent increases, discrimination, disrepair, etc.). The City should also explore opportunities to provide TTSP funding to additional community organizations to expand program reach. Further, while the new EPIC Interim Rent Relief Pilot benefit is promising to deliver more efficient support to households in need, renters who will not see increases to their incomes will continue to need support to maintain their tenancies, as affordable rental homes remain out of reach to many low- and mid-income renters. Similarly, Rent Bank is a critical resource for renters to avoid eviction, and should be further increased for greater access.

It is promising to see more funding (\$3 million) available for the **MTH renovation program** in 2025 than was available in 2024 (\$2 million), considering feedback from MTH operators that significant renovations will be required to comply with the new MTH framework. However, we remain concerned that the funding will not be sufficient to preserve MTHs across the city and will lead to significant renter displacement due to operators choosing to convert or sell their homes. Similarly, there are no new programs dedicated to supporting MTH renters who are at risk of losing their homes due to these circumstances. MTH renters are some of the most marginalized residents in the city, with few other options available if they lose their homes, which could lead to greater instances of homelessness. In line with a rights-based approach, including feedback from the [Housing Rights Advisory Committee](#), it is thus incumbent on the City to provide dedicated supports to MTH renters to maintain their homes or find affordable alternatives, in addition to adequately monitoring and evaluating the impact of the MTH framework on renters.

**MURA** is one of the City's most successful housing programs and has consistently exceeded its targets. Supporting the community housing sector to acquire private rental stock is among the most efficient and effective ways to tackle the housing affordability crisis by preserving affordability and protecting renters. While it is encouraging to see some municipal commitments toward MURA in 2025 (\$18 million), the City is relying heavily on increased funding from other levels of government to support the program (including from the pending Canada Rental



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Protection Fund, the federal Housing Accelerator Fund, and the provincial Building Faster Fund). While intergovernmental collaboration is critical to meet the needs of those most impacted by the housing affordability crisis, the City also has a key role to play by prioritizing and maximizing its own resources.

We are pleased to see investments toward **increased staffing** in new and under-resourced program areas, including the **Rental Renovation Licence Program** (related to the forthcoming renovations bylaw), the **MTH renovation program**, and **MURA**. In particular, it is promising to see funding for staff to administer, investigate, and enforce the renovations bylaw, in addition to funding for public education and communication, as it will be critical to inform both renters and landlords of their rights and responsibilities under the new bylaw. However, it is also important to ensure that new and existing staff can dedicate time toward monitoring renter displacement, especially as it relates to programs where displacement is a particular threat, such as the MTH framework, the renovations bylaw, and rental demolitions and conversions. Similarly, staff should support outreach, education, and navigation for renters for all rental programs across the city. This should include the launch of the delayed **Housing At-Risk Table (HART)**, which is meant to coordinate interdivisional planning and responses related to evictions and affordable housing loss.

Finally, it is promising to see some additional investments in the **shelter system** in the 2025 budget, including an additional \$0.8 million to enhance drop-in services committed by the Mayor. However, in light of recent provincial policy changes, including the closure of supervised consumption sites, further support is needed to meet growing community needs. Alongside increased investments, the City should engage closely with people with lived experience of homelessness and service providers, recognizing the interconnection between housing insecurity, displacement, affordable housing loss, and homelessness. The City should also increase shelter capacity and safety, take a rights-based approach to encampments, and increase the supply of supportive housing.

## Next Steps

While the 2025 budget includes some important commitments to advance the right to housing, further opportunities remain as it relates to supporting and protecting renters and preserving affordable housing. 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.



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