

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:

Grace Liu, Director, Property Accounting (Acting)
416-981-4332
Grace.Liu@torontohousing.ca

Identification

Corporation name
Toronto Community Housing Corporation
CMSM/DSSAB

I.D. No.	Year end (yyyy/mm/dd)
	2023/12/31

Corporation address	Mailing address
931 Yonge Street Toronto, Ontario M4W 2H2	<same>

Program type	Y/N	# of units
1. Public housing	Y	42,516
2. Rent supplement	Y	6,604
3. Sect 26/27	N	
4. Sect 95 - PNP	Y	
5. Sect 95 - MNP	Y	2,913
6. Section 103	N	
7. Section 106	N	
8. Section 110	N	
9. Urban native	N	
Provincial Reformed	Y	5,529
		57,562

Contact name	Position
Lily Chen	Chief Financial Officer & Treasurer
	eMail address
	Lily.Chen@Torontohousing.ca

Telephone number	Fax number
(416) 981-4316	(416) 981-4808

Board of Directors DECLARATION (Must be signed by two members of the Board.)

We declare that, to the best of our knowledge and belief, the information provided in this Annual Information Return and the representations on Page 2 is true and correct.

Signature	Name	Position	Date
Signature	Name	Position	Date

Note to auditors:

Auditors are required to complete/approve the reports on Financial Information contained in the Annual Information Return. (this is now provided in the Financial Statements)

Instructions

This form to be used by all Private Non-Profit Housing Corporations, Municipal Non-Profit Housing Corporations, and Co-operative Housing Corporations. It may be used by Local Housing Corporations.

Social Housing Annual Information Return

Year End: December 31, 2023

Corporation: Toronto Community Housing Corporation

Management Representation Report

Note 1: The Housing Services Act, 2011 and its regulations are referred to as HSA throughout these representations.

Note 2: If the answer to any question, other than number 5, is "No", please provide explanatory details.

Note 3: All questions are to be answered as of the end of the fiscal year. Question 11 to 13 should cover the fiscal year as well as the months preceding the filing of this report.

The following questions relate to both formerly federal and formerly provincial projects. The questions should be answered with respect to the provisions of the HSA and/or any formerly federal operating agreement that your corporation may be governed by.

GOVERNANCE

1) Does the corporation follow the required conflict of interest provisions? Y N NA

RESIDENT RELATIONS

- 2) Did the corporation select applicants as required? Y N
- 3) Were all RGI households charged the rent required? Y N NA
- 4) Did the corporation comply with its mandate and targeting plan in housing applicants, if applicable? Y N NA

FINANCIAL MANAGEMENT

- 5) Did the corporation receive a management letter from its auditors reporting serious deficiencies in internal controls or operations? (If yes, attach a copy of the letter.) Y N
- 6) Were expenses allocated to any non-shelter component as required? Y N NA
- 7) Was the shelter component of the corporation's revenue used only for shelter purposes? Y N NA
- 8) Did the corporation invest its Capital Reserve Fund as required? Y N NA
- 9) Did the corporation make all transfers to and expenditures from the Capital Reserve Fund as required? Y N NA
- 10) Did the corporation comply with the requirement in the HSA to participate in a system for group insurance of housing providers? Y N NA

MORTGAGE

- 11) Is the corporation in compliance with its obligation not to mortgage or encumber, replace or amend the mortgage? Y N
- 12) Are all other mortgages the corporation may have in good standing? Y N
- 13) Is the corporation free and clear of material contingent liabilities and legal disputes? Y N

SHB 01/02

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Combined Statistical Information

I. Households assisted by program type

	Unit of Measure	Public Housing Program 01	Rent Supplement Program 02	Limited Dividend Program 03	Section 26 Program 04	Section 27 Program 04	Section 95 PNP Program 05	Section 95 MNP Program 06	Provincial Reformed Program 06	Post-1985 Urban Native Program 07	Pre-1986 Urban Native Program 08	Service Agreements (Part VII.1)
RGI households with incomes at or below the HILs												
Targeted households assisted by program (at year end)	2101 Households	37,791	4,921					1,381	4,477			
RGI households with incomes above the HILs	2102 Households	513	39					34	55			
Households in market/low-end of market units	2103 Households	1,891	1,292					1,436	895			
Total number of non-targeted households (at year end)	2105 Households	2,404	1,331				0	1,470	950	0	0	0
Vacant units	2106 Households	2,321	352					62	102			
Households receiving other forms of housing assistance	2107 Households											

II. Household types assisted and average before-tax adjusted family net incomes (at year end)

Families												
RGI households with incomes at or below the HILs												
Total number of targeted households surveyed	2111 Households	11,055	711					443	642			
Average annual adjusted family net income surveyed	2113 \$	\$ 22,593	\$ 22,019					\$ 21,793	\$ 22,351			
RGI households with incomes above the HILs and all non-RGI households												
Total number of non-targeted households surveyed	2115 Households	1,014	440					602	339			
Seniors												
RGI households with incomes at or below the HILs												
Total number of targeted households surveyed	2121 Households	20,568	2,732					568	2,945			
Average annual adjusted family net income surveyed	2123 \$	\$ 21,956	\$ 20,201					\$ 22,996	\$ 21,936			
RGI households with incomes above the HILs and all non-RGI households												
Total number of non-targeted households surveyed	2125 Households	1,147	566					581	470			
Non-elderly singles												
RGI households with incomes at or below the HILs												
Total number of targeted households surveyed	2131 Households	5,664	1,401					343	627			
Average annual adjusted family net income surveyed	2133 \$	\$ 13,495	\$ 13,256					\$ 14,671	\$ 15,241			
RGI households with incomes above the HILs and all non-RGI households												
Total number of non-targeted households surveyed	2135 Households	243	325					287	141			
Special needs												
RGI households with incomes at or below the HILs												
Total number of targeted households surveyed	2141 Households	504	77					27	263			
Average annual adjusted family net income surveyed	2143 \$	\$ 21,140	\$ 21,460					\$ 28,246	\$ 22,203			

Definitions for reporting to CMHC page 4 of the SMAIR:

Seniors - 60 or older

Non-elderly singles - below 60

Special Needs category covers households receiving care or support services. Care or support services means:

- (i) on site personal support services where personal medical or nursing care, rehabilitation or counselling activities is provided to project residents on a regular basis on-site;
- (ii) special facilities where special dedicated spaces, facilities or equipment is provided to support the provision of personal medical or nursing care, rehabilitation or counselling activities;
- (iii) special needs where an individual requires on-site special facilities, and/or on-site personal support services due to physical, social or emotional condition or disability; or
- (iv) special purpose housing where hostel or self-contained housing is used as a principal residence and includes on-site care services and facilities, excluding food, relating to residents' common physical, social and emotional condition or disability.

Within each household type, the total number of targeted and non-targeted households assisted-will be reported along with the average annual before-tax adjusted family net incomes for targeted households.

Before-tax adjusted family net income (AFNI) is net income (i.e., line 23600) as indicated on the Canada Revenue Agency Notice of Assessments of household members, less any Registered Disability Savings Plan income and plus any Registered Disability Savings Plan amounts repaid. The before-tax adjusted family net income of household members who are full-time students is not to be reported.

For 2022 calendar year reporting, "Year End" means December 31, 2022.

Social Housing
Service Manager Annual Information Return

For the year ended December 31, 2022

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Service Level Standards

I. Service Level Standards

		Social Housing								
Unit of Measure		Public Housing	Rent Supplement	Section 95 MNP	Provincial Reformed	RGI assistance that follows Part V rules under the HSA (excluding UNH)	RGI assistance under post-EOA UNH	Service Manager funded portable housing benefits - Schedule 4.1 (excludes COHB)	Service Manager funded forms of assistance - Schedule 4.2 (excludes COHB)	Service Manager funded portable housing benefits - Schedule 4.3 (excludes COHB)
		Program 01	Program 02	Program 06	Program 06	Column 05	Column 06	Column 07	Column 08	Column 09
Households receiving assistance whose household income is at or below the HILs established in regulation.*	2151 Households	37,791	4,921	1,381	4,477	N/A	N/A	N/A	N/A	N/A
High need households.**	2152 Households	32,946	4,491	1,206	4,062					
Units modified to provide physical accessibility	2153 Households	504	77	27	263					
Households receiving support services	2154 Households									

II. Alternate Forms of Assistance that Count Towards Service Levels

TOTAL number of households receiving alternate forms of assistance	2210 Households							N/A	N/A	N/A
Average before-tax adjusted family net income (AFNI)	2215 \$									
TOTAL Service Manager expenditures for alternate forms of assistance (Exclude Service Manager administration charges)	2220 \$									
*Other Service Manager Funded Forms of Assistance under Schedule 4.2: (Please provide a short description below on the form(s) of assistance, e.g., rent supplement, flat rate benefit, housing allowance)										
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Housing Division-MMAH - Updated January, 2023

Links to e-Laws Ontario

For prescribed service level standards, see O. Reg. 367/11, Schedule 4:

<https://www.ontario.ca/laws/regulation/110367#BK215>

See O. Reg. 370/11 for:

*Current Household Income Limits by Service Manager (Schedule 2)

**Current High Need Income Limits by Service Manager (Schedule 1)

<https://www.ontario.ca/laws/regulation/110370>

For the requirements of the Portable Housing Benefit Framework for Service Manager funded Portable Housing Benefits, see O. Reg. 367/11, Schedule 4.1:

<https://www.ontario.ca/laws/regulation/110367#BK216>

For the requirements of Service Manager funded forms of assistance that can count towards service levels, see O. Reg. 367/11, Schedule 4.2 (effective July 1, 2022):

<https://www.ontario.ca/laws/regulation/110367%23BK216%09#BK233>

For the requirements of other Service Manager funded portable housing benefits that can count towards service levels, see O. Reg. 367/11, Schedule 4.3 (effective July 1, 2022):

<https://www.ontario.ca/laws/regulation/110367%23BK216%09#BK234>

Service Manager Annual Information Return

For the year ended December 31, 2022

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Service Manager-Funded Housing Assistance & Rent Reduction that Does Not Count Towards Service Levels

Purpose

The purpose of this table is to identify Service Manager expenditures for financial housing assistance or rent reduction which is not counted towards service level standards

Service Manager Funded Housing Assistance and Rent Reduction

Rent Supplement	Portable Housing Benefit	Other Expenditures Enabling Reduced Rent	TOTAL
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Column 01 Column 02 Column 03 Column 04

Households Assisted with Service Manager Funded Housing Assistance or Rent Reduction, by Type	2155	HH				-
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Total Service Manager Expenditures, by Type	2156	\$				-
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Additional Information on Columns 01-03 (as needed)

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Housing Division-MMAH - Updated January, 2023

Item 7B – TCHC’s Annual Information Return
Public Board of Directors Meeting – April 22, 2024
Report #: TCHC:2024-21
Attachment 2



Toronto Community
Housing Corporation
931 Yonge Street
Toronto, ON
M4W 2H2

Memo

To: Board of Directors
Toronto Community Housing
Corporation

From: Lily Chen
Chief Financial Officer &
Treasurer

Date: April 22, 2024

Re: Annual Information Return

I, Lily Chen, in my capacity as Chief Financial Officer & Treasurer of Toronto Community Housing Corporation and not in my personal capacity, hereby certify that to the best of my knowledge:

1. For the 2023 fiscal year, attached is the Annual Information Return required to be submitted to the Service Manager in compliance with the Operating Agreement between Toronto Community Housing Corporation and the City of Toronto (Service Manager).
2. I have reviewed, or caused to review, such files, books, and records of Toronto Community Housing Corporation and have made, or caused to be made, such enquiries of Toronto Community Housing Corporation employees under my direct supervision as I have determined necessary for the purpose of this certificate.
3. The report has been developed from a download of the TCHC rent system listing the following information for each unit: rental status (occupied or vacant), unit size, family type, household income, whether it is rent geared to income (RGI) or market rent, the program for the building unit, and any special needs.
4. The total number of units are reconciled to the previous year, adjusting for additions and disposals. The units are then summarized by the program types, with breakdowns into the number of units that are RGI and whose incomes are at or below the household income limit thresholds set by the province, the number

above that or at market rent, and the number that are vacant. The RGI is further broken down by family type, noting their average household income, and also the number of units housing tenants with special needs and their average household income.

Regards,

Lily Chen

Lily Chen
Chief Financial Officer & Treasurer
Toronto Community Housing Corporation