



## Annual Information Return

Item 2D

April 25, 2022

Board of Directors

**Report: TCHC:2022-16**

**To:** Board of Directors (the “Board”)

**From:** Building Investment, Finance and Audit Committee  
 (“BIFAC”)

**Date:** April 8, 2022

### **PURPOSE:**

To seek the Board’s approval of Toronto Community Housing’s Annual Information Return (“AIR”), as required prior to May 31, 2022 per its Operating Agreement, for the year ended December 31, 2021.

### **RECOMMENDATIONS:**

It is recommended that the Board approve the following recommendations to:

1. approve the Annual Information Return of Toronto Community Housing Corporation for the year ended December 31, 2021; and
2. authorize two directors to sign the report as is required per the Operating Agreement, on behalf of the Board.

### **BIFAC**

This report was received and approved by the BIFAC on April 8, 2022.

**REASONS FOR RECOMMENDATIONS:**

TCHC is required to file the following items as part of its AIR as 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);
- 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.

Toronto Community Housing is required to report annually, as per component (c) above, the number of units that are rented by households whose income is below the specified “household income limit”, and the number that are over that limit or at market rent, and the number that are vacant. This is a “snapshot” report taken at the end of the year. The report is divided by programs, and also details the units by type (Family, Seniors, and Non-elderly singles) and the units for those with special needs.

The programs are:

- Public Housing – all former MTHA building units, and the Limited Dividend and Geared to Income programs from the former 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.

The elements of this statistical report as at December 31, 2021 are as follows:

TCHC has a total inventory of 58,368 units under its Operating Agreement consisting of:

- 1) 49,053 units that housed rent geared to income (RGI) tenants. The service level agreement calls for TCHC to have 52,533 rented RGI units, which is adjusted when we are redeveloping a property for demolished (and to be demolished) units that have not yet been replaced – to the current target of 51,818;
- 2) 5,945 units that housed Market tenants. A market tenant could be, a tenant who has initially signed a Market or an Affordable housing lease (4,450 market leases and 1,012 affordable leases), or a tenant whose household income was above the household income limit (HIL) (483 units) and were consequently charged Market rent. The HIL varies from \$48,000 for a bachelor unit to \$78,000 for a 4 bedroom or larger; Effective May 2020, TCHC stopped offering new Market rental leases,
- 3) 3,370 units that were vacant, of which 3,167 were RGI units, and 203 were market units.

### **IMPLICATIONS AND RISKS:**

The statistical report, together with the audited consolidated financial statements for the year ended December 31, 2021, provides the required reporting as per the operating agreement. TCHC was below the service level requirement as stipulated in the Operating Agreement by 2,765 units as at December 31, 2021. In 2021, there was an improvement of 684 units. This was the result of TCHC's decision to stop leasing Market units, and instead only enter into new RGI leases, resulting an increase of 369 RGI units. As well, there was a reduction in the number of households over the HIL (315 units), due to household income reductions.

The approximately 2,765 units for which TCHC is under the service level is primarily due to the following:

- a) Tenants whose income is greater than the HIL, which is beyond TCHC's control, that are not included in the RGI count (483 units); this is a reduction of 315 units from 2020.
- b) Units unavailable to be leased pending demolition of the building due to revitalization activity at Lawrence Heights and Don Summerville (192 units), these units as will be replaced over time as TCHC continues with its various revitalization initiatives;
- c) Units being temporarily held for capital repairs and accessibility modifications (427 units);
- d) Units being temporarily held for tenants who have to be relocated from their current units due to anticipated revitalization work (23 units);
- e) Uninhabitable units at Firgrove Crescent (230 units), which have been deleased, pending demolition.
- f) Bachelor and Rooming House units which are not in demand (377 units); including 79 units in properties expected to be sold in 2022.
- g) Units being offered but leases have not signed (517 units) ;
- h) Other vacant units, excluding units being offered and vacant bachelor units, (595 units), which includes units in hard to rent buildings.

The Service Manager has been made aware of this variance, and has been be provided details on the variance, consistent with prior years where this variance has already existed.

**SIGNATURE:**

*“Rose-Ann Lee”*

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Rose-Ann Lee  
Chief Financial Officer and Treasurer

**ATTACHMENTS:**

1. Service Manager Annual Information Return
2. Annual Information Return Compliance Certificate

**STAFF CONTACT:**

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