

# Early Lessons Rapid Housing Initiative

December 3, 2020



# Rapid Housing Initiative

- The Rapid Housing Initiative (RHI) was announced by the Government of Canada on September 21, 2020.
- On October 27, 2020 the Government of Canada announced **\$203,265,729** in capital to the City of Toronto to create a minimum of 417 units of new permanent affordable housing.
  - This funding was transferred to the City in full once we had successfully executed the legal agreement with CMHC.
  - City staff submitted an investment plan on **November 27, 2020** outlining the capital projects that will be built/secured with the RHI allocation in order to confirm the take-up of funds.



# Early Lessons: Get ahead but how?

Best program/chance to address homelessness

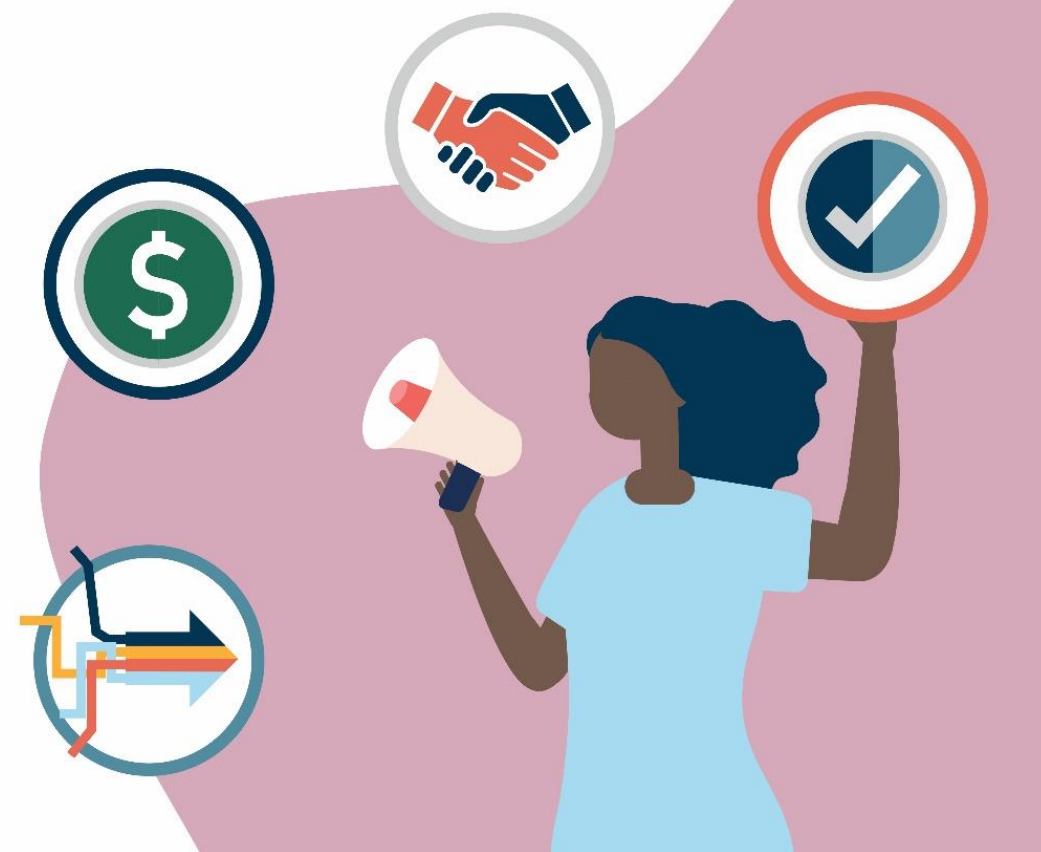
Have a policy goal that focuses on homelessness becoming rare, brief and one-time

Have a Housing Plan based on demand and supply data

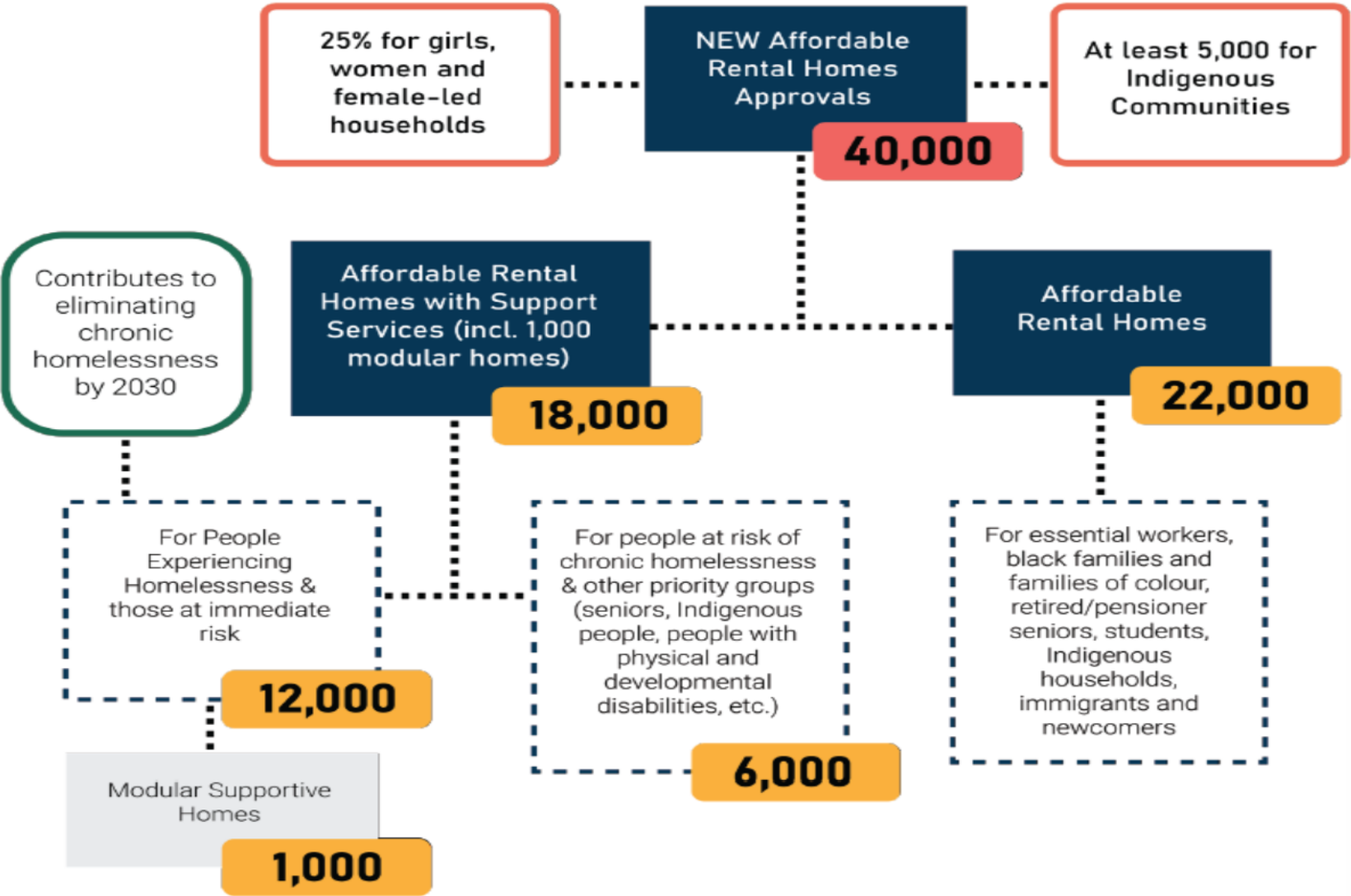


# HOW WILL IT BE DONE?

- 1.** Adopt a revised "Toronto Housing Charter – Opportunity for All"
- 2.** Enhance Partnerships with Indigenous Community Partners
- 3.** Prevent Homelessness and Improve Pathways to Housing Stability
- 4.** Provide Pathways to Support Women
- 5.** Maintain and Increase Access to Affordable Rents
- 6.** Meeting the Diverse Housing Needs of Seniors
- 7.** Ensure Well-Maintained and Secure Homes for Renters
- 8.** Support Toronto Community Housing and its Residents
- 9.** Continue the Revitalization of Neighbourhoods
- 10.** Create New Rental Housing Responsive to Residents' Needs
- 11.** Help People Buy and Stay in Their Homes
- 12.** Improve Accountability and Transparency in Delivery of Housing Services to Residents
- 13.** Enhance Partnerships and Intergovernmental Strategy



# New 40,000 New Affordable Rental and Supportive Homes



# Early Lessons: Understand your people and your business case

Look for alignment with your priority groups

Look at what you are currently spending on homelessness, COVID-19 emergency response and identify how RHI can help



# Early Lessons: Understand your people

## Find alignment in your priority groups

- People experiencing homelessness
- People at risk of homelessness
- People dealing with mental health & addiction issues
- women
- Seniors
- Indigenous Peoples (min 15% target)
- Black People
- racialized groups
- people with disabilities
- young adults
- Veterans
- LGBTQ2+
- recent immigrants or refugees





# Supportive Housing vs Shelter Support



Approximately  
**\$2,000**  
per month for a  
studio apartment



**\$3,000+**  
per month  
before COVID-19

The cost to operate a shelter has doubled during COVID-19.



# Early Lessons: Create Multi-disciplinary Teams

No “admin costs” eligible but site/project specific costs are eligible

Heavy lifting needed to deliver in such a tight timeframe

You need a multi-disciplinary team to:

- Get external help e.g. brokers, external legal, project managers
- Identify City or other land/buildings
- Start and complete due diligence, environmental, geotechnical testing etc.
- Prioritize & expedite Planning & Building reviews
- Estimates of conversion costs and schedule
- Explore capacity of Modular construction sector to deliver
- Act on delegated authorities from Council/Board related to contracting and negotiating



# Early Lessons: Get Focused

1. Acquisition of land and construction of modular housing;
  2. Acquisition of land and existing buildings for the purpose of conversion
  3. Acquisition of land and rehabilitation of housing
- Construction, conversion and rehabilitation costs are included in addition to the acquisition of land and buildings
  - Construction must be completed within 12 months



# Early Lessons: Get focused

## Acquisition/Conversion Criteria:

- commercial/institutional/non residential sites that result in new housing stock
- relatively "move-in-ready" and requiring minor renovations
- 15,000 – 50,000 sf gross building area
- 20-70 units per building
- 200-600 sf rooms/apartments
- proximity to transit and existing social services

## Modular Criteria:

- 25,000 to 30,000 square feet (or 0.57 acre to 0.68 acre)
- flat, unencumbered sites that are paved or grassed and rectangular in shape
- Zoning that allows for residential use
- Official Plan designation of Neighbourhoods Apartment Neighbourhoods or Mixed-Use area
- proximity to transit and existing social services



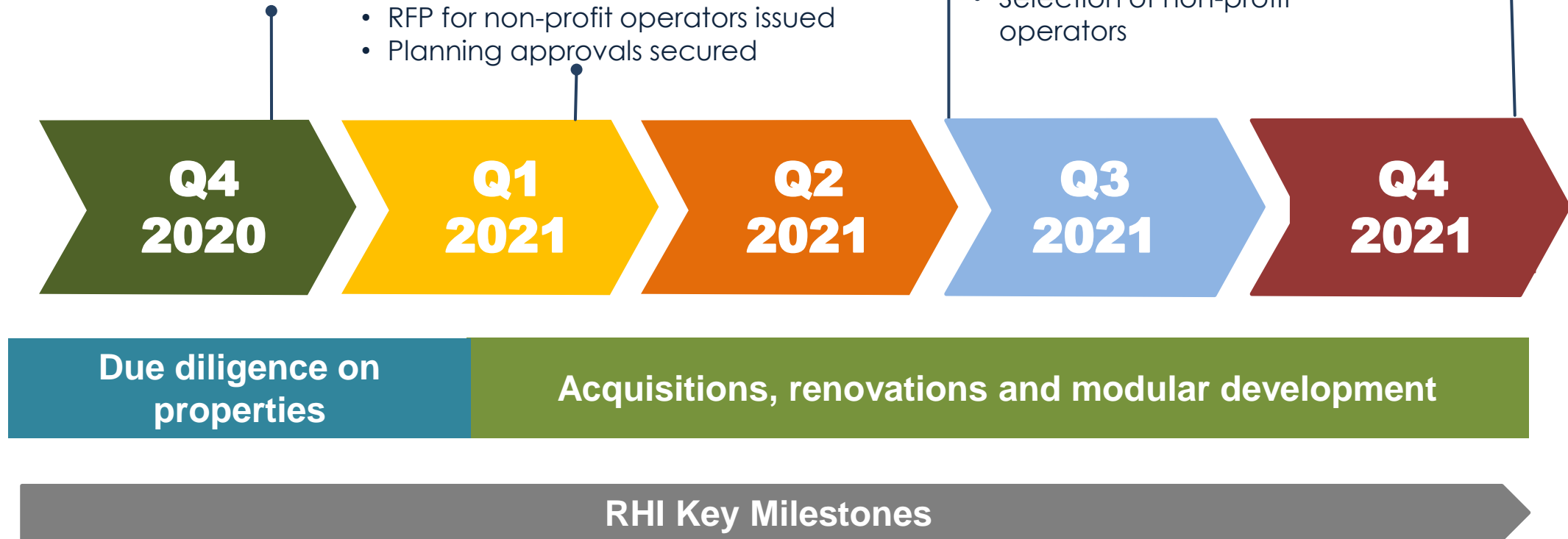
# Early Lessons: Understand & commit to your timeline

- RHI Agreement signed
- **Submit Investment Plan to CMHC by Nov. 27**
- \$203 M in funding allocation to be received from CMHC
- Appraisals to be completed

- 3 months to START
- Complete due-diligence (environmental, geotechnical testing, etc.)
- Preparation and signing of legal agreements (offers, APS', etc.)
- Engagement and communication plan developed and executed
- RFP for non-profit operators issued
- Planning approvals secured

- Acquisitions completed
- Renovations underway
- Manufacturing of modules underway
- Selection of non-profit operators

- Completion of projects & occupancy of new units



# Early Lessons: Opportunity to strengthen partnerships

- Municipalities have a significant role to play in identify land + buildings
- Engage with non-profit partners early, explore how you can work together
- Talk about how to build capacity in the community housing sector to best respond to increasing supply
- Build political & community support for responding to affordable housing crisis
- Behave as if this isn't a one-off, build stronger dialogues and partnerships
- Remember RHI is just capital so advocate together for operating investments to compliment RHI



# Early Lessons: Make an application & provide feedback

## Make an application

- Even if you aren't sure
- Make CMHC say no and prove there is demand, appetite and ability to deliver

## Stay ahead by not wasting the work you do

- Be ready for Round 2
- Move project into co-investment fund stream

## Provide feedback about RHI Program constraints

- Lack of time to properly engage key partners, including indigenous housing providers
- Focus on quick construction not just modular
- Cant build our way out of the affordable housing crisis
- Protect what we have by moving rental apartments under community housing sector protection





# What Success Looks Like

## By end of December 2021:

- Commitment from the Provincial government for operating funding (housing benefits and support services) to create new supportive homes
- At least 600 - 800 new affordable and supportive homes for people exiting homelessness, improving their housing, health and socio-economic outcomes.

