

March 15th, 2021

Office of the Mayor John Tory  
100 Queen Street West  
Toronto, ON  
M5H 2N2

**RE: Investments in Supportive Housing**

Dear Mayor Tory,

Toronto's six core Business Improvement Areas (BIAs) along with the Toronto Association of Business Improvement Areas (TABIA) – representing thousands of businesses and their communities – are writing to express our support for the City of Toronto's request for \$48 million in annual operating funding from the Government of Ontario for supportive housing units.

The core BIAs and TABIA are committed to working with the City toward an outcome-oriented plan, with equitable distribution of supportive housing across the Greater Toronto Area, consultation with communities and a holistic approach including key wraparound services. We strongly urge the Province of Ontario to join in this plan.

Investing in supportive housing is a wise use of government money.

Homelessness is a serious, ongoing social problem, threatening the economic vitality of Ontario's most important commercial centre. This situation has been exacerbated by the COVID-19 pandemic. If left unaddressed, homelessness and untreated mental health and addiction problems will hinder Toronto and Ontario's ability to recover from the current economic crisis.

To mitigate the impacts of homelessness the City of Toronto plans to create 2,000 supportive housing units. More than a much-needed place to live for people experiencing homelessness, these units will provide a variety of healthcare and related services to help individuals with complex mental and physical health needs remain in stable housing for the long term.

To achieve this goal, the City requires a commitment from the provincial government of **\$48 million in annual operating funding**. The operating cost is comprised of rent subsidies plus vital wraparound health and social supports.

Federal and City resources have been secured and are ready to be deployed to deliver 1,098 new housing opportunities before the end of 2021. However, the City needs an immediate provincial commitment. Toronto's core BIAs implore the Government of Ontario to confirm its participation in this crucial program.

The economic benefits of investing in Supportive Housing, compared to the status quo, include:

- Cost savings through reduced emergency shelter use. By providing 3,000 permanent housing opportunities with supports for individuals currently using the emergency shelter system, governments would save between \$60 million to \$180 million per year (based on pre-pandemic and current COVID-19 scenarios). Specifically, this is due to the cost to operate one shelter bed, which pre-COVID-19 was roughly \$3,300 per month but has since doubled due to the pandemic. By contrast, accommodating one person in permanent, supportive and affordable housing, such as a studio apartment, costs approximately \$2,000 per month.
- Cost savings in the health and justice systems. Access to permanent affordable housing with supports would reduce the use of hospitals and jails, resulting in average cost savings of \$60,000 per year for each person permanently housed.

- Job creation. For every \$1 million invested in residential construction, a total of 10 jobs are created, including five direct and five additional indirect and induced jobs.
- Total return on investment. It is estimated that every dollar invested in supportive housing creates 4-5 dollars in social and/or economic value.

At this crucial juncture, as we try to expedite recovery from the COVID-19 pandemic, the City’s fiscally and socially responsible supportive housing plan would make best use of public investments, while at the same time significantly improving the housing and health outcomes of those most in need.

Creating an adequate level of supportive housing is a critical step in addressing some of the structural inequities exposed by the pandemic – reducing chronic homelessness and creating jobs through investments in housing to rebuild our economy.

Sincerely,

**Al Smith**  
Executive Director  
St. Lawrence Market  
Neighbourhood BIA



**Briar de Lange**  
Executive Director  
Bloor-Yorkville BIA

**BLOORYORKVILLE**

**Grant Humes**  
Executive Director  
Toronto Financial District BIA



**Janice Solomon**  
Executive Director  
Toronto Entertainment District  
BIA



**Mark Garner**  
Chief Operating Officer &  
Executive Director  
Downtown Yonge BIA



**Tim Kocur**  
Executive Director  
The Waterfront BIA



**John Kiru**  
Executive Director  
Toronto Association of Business  
Improvement Areas (TABIA)

