

**CITY OF HAMILTON**

**COMMUNITY SERVICES DEPARTMENT**  
**Housing Services Division**

<b>TO:</b> Chair and Members Emergency & Community Services Committee	<b>WARD(S) AFFECTED:</b> CITY WIDE
<b>COMMITTEE DATE:</b> September 10, 2012	
<b>SUBJECT/REPORT NO:</b> Community Homelessness Prevention Initiative (CHPI) (CS12031) (City Wide)	
<b>SUBMITTED BY:</b> Joe-Anne Priel General Manager Community Services Department	<b>PREPARED BY:</b> Gillian Hendry (905) 546-2424 ext. 4818 Brian Kreps (905) 546-2424 ext. 4329
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That effective January 1, 2013, the 2012 net levy portion of Community Start-Up and Maintenance Benefit (CSUMB) presently in Ontario Works estimated at \$860,000 be transferred to the Housing Service Division's Community Homelessness Prevention Initiative (CHPI) to provide financial supports to low income households;
- (b) That effective January 1, 2013, the 2012 net levy portion of program costs in the following amounts be reallocated to the Consolidated Homelessness Prevention Initiative:
  - (i) \$892,270 from the Emergency Shelter Program
  - (ii) \$1,363,800 from the Domiciliary Hostel Program
  - (iii) \$138,250 from the Domiciliary Hostel Reinvestment
  - (iv) \$96,760 from the Consolidated Homelessness Prevention Program;
- (c) That staff report back to the Emergency and Community Services Committee on December 10, 2012 with an implementation plan for the Community Homelessness Prevention Initiative; and,
- (d) That the Mayor correspond with the Honourable John Molloy, Minister of Community and Social Services requesting that the Community Start Up and

Maintenance Benefit for the Ontario Works and Ontario Disability Support Programs be reinstated.

## **EXECUTIVE SUMMARY**

### **Overview of Community Homelessness Prevention Initiative**

On July 24, 2012, the Ministry of Municipal Affairs and Housing announced the 2013 funding allocation for the consolidation of five existing housing and homelessness programs into the Community Homelessness Prevention Initiative (CHPI). The City of Hamilton was allocated \$15,549,263 in a single funding envelope for 2013. Attached as Appendix A to Report CS12031 is a letter to Chris Murray, City Manager from Janet Hope, Assistant Deputy Minister, Ministry of Municipal Affairs and Housing outlining details of CHPI and the funding allocation.

CHPI combines the following five programs:

1. Consolidated Homelessness Prevention Program (CHPP) which funds supports to assist homeless individuals obtain and maintain housing;
2. Domiciliary Hostel Program which provides subsidy to low-income individuals to reside in Residential Care Facilities;
3. Emergency Energy Fund which provides grants to low income households for utility arrears;
4. Emergency Hostels which subsidizes emergency shelter stays for people experiencing homelessness; and,
5. Provincial Rent Bank which provides grants to low-income households to address rent arrears.

Provincial funding for the five programs will be consolidated into a single funding envelope and municipalities will have the flexibility to design programs that meet local priorities. This is in contrast to the past where the Province set the program guidelines, the funding model and provided allocations specific to each program.

The provincial vision for the new program is a better co-ordinated and integrated service delivery system that is people-centred, outcome focused and reflects a Housing First approach to prevent, reduce, and address homelessness. Over time, it is intended that this approach will shift the focus of services from reactive responses to more proactive and permanent solutions to homelessness.

Under CHPI, Service Managers will have flexibility to use the consolidated funding in the following service categories:

1. Emergency Shelter Solutions (e.g. emergency shelter and/or safe bed);
2. Housing and Related Supports (e.g. permanent housing, rental allowance);
3. Services and Supports (e.g. street and housing outreach, food banks, housing search); and,
4. Homelessness Prevention (e.g. rent support/eviction prevention).

All programs and services that are eligible under the current programs will continue to be eligible under the new program. Many additional options will be possible over time as a result of the program flexibility.

### **Current Funding**

Hamilton's 2012 budget for the five programs being consolidated is \$15,014,060. This includes \$12,522,980 in provincial funding and \$2,491,080 in net levy funding. This includes a combination of payments to community agencies and residential care facilities for contractual services and administrative funding.

Effective January 2013, the Province will remove the Community Start-Up and Maintenance Benefit (CSUMB) from the Ontario Works and Ontario Disability Support Programs (ODSP). CSUMB currently provides funding for rent, fuel, hydro, household furnishings, and moving costs as a benefit to clients under social assistance. At a provincial level, 50% of funding previously directed to social assistance for CSUMB will be added to the Consolidated Homelessness Prevention Initiative. Each municipality may use a portion of their CHPI allocation to provide financial supports to low income households similar to CSUMB.

It is estimated that \$7,750,000 (\$860,000 net) was issued in CSUMB payments in Hamilton in 2012 through OW and ODSP. Hamilton's current funding for all programs and benefits affected by the consolidation is \$22,764,060 so there is a funding shortfall of \$7,214,797.

### **Funding Under the Consolidated Homelessness Prevention Initiative (CHPI)**

The Province has announced that Hamilton's allocation for 2013 under CHPI will be \$15,549,263. This is 100% provincial funding as the new program does not require a cost share from municipalities.

The provincial allocation falls considerably short of total 2012 funding levels. The programs and services being consolidated represent the cornerstone of services for people experiencing homelessness and at risk of homelessness. Priority will be given to maintaining existing services such as emergency shelter beds, residential care facility beds and emergency loans to people facing eviction due to rent arrears to name just a few programs. That will mean that limited funding will be available to provide a program or benefit to replace CSUMB.

While a municipal cost share is not required under CHPI, it is recommended that Council reallocate the 2012 net levy portion of program costs to CHPI. If the levy portion of program costs is not maintained, only \$535,203 would be available to provide a benefit or program to replace CSUMB, which is only 7% of the 2012 levels. If the levy portion of program costs were redirected to CHPI, \$3,886,283 or 52% of the 2012 CSUMB funding level would be available.

Given the negative effects on the community of removing CSUMB from social assistance, it is recommended that the Mayor send a letter to the Honourable John Molloy, Minister of Community and Social Services requesting a reinstatement of CSUMB for the Ontario Works and ODSP Programs.

Financial and staffing implications as well as a local plan for the CHPI will be provided to Emergency and Community Services Committee (E&CS) in December 2012, for consideration and approval, with an implementation date of January 1, 2013.

#### **FINANCIAL / STAFFING / LEGAL IMPLICATIONS**

##### **Financial:**

##### **Current Funding for Programs and Benefits Affected by Provincial Program Consolidation**

Hamilton's 2012 budget for the five programs being folded into the Consolidated Homelessness Prevention Initiative (CHPI) is \$15,014,060. This is a combination of \$12,522,980 in provincial funding and \$2,491,080 in net levy funding.

Municipal cost-sharing has been required by the Province for Domiciliary Hostel and Emergency Shelter Program costs. Additionally, Council had previously approved levy funding as a reinvestment in the Domiciliary Hostel Program and to support administration of the Consolidated Homelessness Prevention Program.

Table 1 outlines the provincial and net levy funding that is currently allocated to the five existing housing and homelessness programs being combined into the CHPI.

**Table 1 - Budgets for Programs Included in CHPI Consolidation**

<b>Program</b>	<b>2012 Gross Budget</b>	<b>2012 Provincial</b>	<b>2012 Municipal</b>	<b>Cost Share</b>
Consolidated Homelessness Prevention Program (CHPP)	\$1,936,260	\$1,936,260	\$0	100% Provincial

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CHPP Administration	\$96,760	\$0	\$96,760	100% Municipal
Domiciliary Hostels	\$6,818,990	\$5,455,190	\$1,363,800	80/20
Domiciliary Hostel Administration	\$525,430	\$525,430	\$0	100% Provincial
Domiciliary Hostel Reinvestment	\$138,250	\$0	\$138,250	100% Municipal
Emergency Energy Fund	\$84,080	\$84,080	\$0	100% Provincial
Emergency Hostels	\$5,187,640	\$4,295,370	892,270	82.8/17.2
Provincial Rent Bank	\$226,650	\$226,650	\$0	100% Provincial
Total Existing Program Costs excluding Housing Supports	\$15,014,060	\$12,522,980	\$2,491,080	

Effective January 2013, the Province will remove the Community Start-Up and Maintenance Benefit (CSUMB) from the Ontario Works and Ontario Disability Programs (ODSP). CSUMB currently provides funding for rent, fuel and hydro, household furnishings and moving costs. At a provincial level, 50% of the funding for CSUMB is being redirected to CHPI. It is estimated that \$7,750,000 (\$860,000 net) was issued in CSUMB payments in Hamilton in 2012 through OW and ODSP.

In addition to the program costs described above, the emergency shelter system has received funding from reserves to support intensive case management services for long-term shelter users.

Table 2 outlines the allocations from Reserve for intensive case management in the Emergency Shelter System:

- \$350,000 per year until 2014 was approved from the Social Services Initiative Reserve by Emergency and Community Services Committee on December 7, 2011 (Report CS11095 - Ontario Municipal Partnership Program Reconciliation)
- Further funding allocations from the Developing Opportunities for Ontario Renters (DOOR) Reserve will be determined based on the outcome of the CHPI allocation process and the 2013 budget process to ensure that critical case management services are able to be maintained.

**Table 2 - Reserve Funding Allocated to Emergency Shelter System**

<b>Reserve</b>	<b>2012</b>
Social Services Initiative Reserve	\$350,000
Developing Opportunities for Ontario Renters (DOOR)	\$619,721
<b>Total Reserve Funding</b>	<b>\$969,721</b>

### **Funding for the Community Homelessness Prevention Initiative**

The 2013 CHPI allocation of \$15,549,263 is a combination of Base Funding and Needs Based Funding as follows:

- Base Funding:
  - Funding for the five existing programs
  - Emergency Hostel Services is based on a three-year average

Needs based funding is allocated according to each municipality's proportionate share of households in Deep Core Housing Need. Deep Core Housing Need is a Statistics Canada measure that identifies households that spend over 50 per cent of their gross income on housing and also have issues related to suitability and adequacy. Hamilton's allocation represents 4.43% share of the provincial total of Deep Core Housing Need.

The 2013 CHPI allocation of \$15,549,263 falls far short of the 2012 budget of \$22,764,060 for all programs and benefits that are being folded into CHPI. The programs being folded into CHPI represent the corner stone of service for people experiencing homelessness or at risk of homelessness. Priority will be given to maintaining existing services and the balance of funding will be used for a program or benefit to provide housing supports to replace CSUMB. Once the existing programs are funded through CHPI, a balance remains of \$535,203 to fund a program to replace CSUMB.

Table 3 illustrates the CHPI balance remaining for financial supports for housing to replace CSUMB pending Council approval of the reallocation of the net levy portion of program costs.

**Table 3 – Financial Supports for Housing**

<b>Financial Supports for Housing</b>	<b>2013</b>
Balance of CHPI funding once existing programs funded	\$535,203
Net Levy Portion of Existing Programs	\$2,491,080
CSUMB Net Levy	\$ 860,000
<b>Total Available Funding</b>	<b>\$3,886,283</b>

With the reallocate the net levy program costs to CHPI, Hamilton will have 52% of the funding available compared to the amount paid in CSUMB benefits in 2012. If the net levy program costs are not reallocated, Hamilton will have only 7% of the funding that was awarded in CSUMB in 2012. This reduction would result in fewer resources for the City's most vulnerable citizens and will ultimately increase hardship, evictions, and homelessness in Hamilton.

**Staffing:**

There are no immediate staffing implications associated with the recommendations in Report CS12031. The Ministry of Community and Social Services has decided that individuals living in shelters will no longer receive a Personal Needs Allowance. Instead, Ontario Works applications must be completed for a Basic Needs Allowance. The implications of this policy change are under review. This may mean that applications for Ontario Works Assistance must be completed when people enter the shelter rather than when they leave. This new requirement may require an increase in the number of Ontario Works Case Managers who take applications in the emergency shelters. Staff will analyze the impact of this new requirement and will report staffing implications as part of the CHPI Implementation Plan.

**Legal:**

There are no legal implications to Report CS12031.

**HISTORICAL BACKGROUND**

A key recommendation of the Provincial-Municipal Fiscal and Service Delivery Review undertaken by the province in partnership with the Association of Municipalities of Ontario (AMO) and the City of Toronto was to consolidate the current patchwork of provincial housing and homelessness programs. The goal is to allow municipalities to use funding in a more flexible manner that reflects local needs and service clients better.

In its 2012 budget, the Province announced its intention to eliminate CSUMB from the Ontario Works and ODSP Programs. The Province allocated 50% of the provincial funding from CSUMB to the provincial CHPI allocation. Each municipality received a portion of the allocation but not necessarily 50% of their former CSUMB funding.

On July 24, 2012, the Ministry of Municipal Affairs and Housing announced the 2013 funding allocation for the consolidation of five existing housing and homelessness programs into CHPI. The City of Hamilton was allocated \$15,549,263 in a single funding envelope for 2013.

The programs as outlined in Table 4 will be impacted by the introduction of CHPI.

**Table 4 – Programs Included in Community Homelessness Prevention Initiative**

<b>Program</b>	<b>Description</b>	<b>2011 Service Data</b>
Consolidated Homeless Prevention Program (CHPP)	CHPP funds services to support families and individuals who are homeless or at risk of homelessness. Examples of CHPP-funded programs include the Housing Help Centre and supports at many of the emergency shelters (hostels)	8,000 people received services from agencies funded through the CHPP Program
Domiciliary Hostel (DH)	The Domiciliary Hostel program subsidises care for people with low incomes to reside in Residential Care Facilities.	On any given night, 767 individuals were provided with subsidized care through the Domiciliary Hostel Program at 62 different Residential Care Facilities in Hamilton
Emergency Energy Fund (EEF)	EEF provides funding to assist low-income households with energy arrears and prevent service from being discontinued due to lack of payment.	172 households
Emergency Hostel (EH)	The Emergency Hostel (shelter) program provides funding for the provision of emergency shelter to single men, women, youth, and families.	3,944 individuals stayed in an emergency shelter in Hamilton
Rent Bank (RB)	The Rent Bank program provides grants to low-income households for the payment of rent arrears so they may retain their housing.	182

All of the funding under the existing programs is flowed to services that are being delivered by community agencies with the exception of one program that is delivered by Public Health Services (Off the Streets into Shelter). Decisions to change any funding would require careful planning and extensive consultation with the community.

At the same time as the CHPI announcement, the Ministry of Community and Social Services introduced a number of changes to the Ontario Works Directives. Of note are changes to the benefits received by Ontario Works participants who reside in Domiciliary Hostels and Emergency Shelters.



Currently, residents of Domiciliary Hostels and Emergency Shelters receive Personal Needs Allowance of \$132 per month through the Ontario Works and ODSP Program. Effective January 1, 2013 residents of Domiciliary Hostels who are in receipt of social assistance will receive the board and lodge rate, but it has not yet been clarified how much of it will be kept for the resident's Personal Needs. Emergency Shelter residents will receive the basic needs rate of \$227 which is a difference of \$95 per month.

### **POLICY IMPLICATIONS**

The new Consolidated Homelessness Prevention Initiative (CHPI) will provide greater flexibility to address community needs that are not covered under the current more restrictive program guidelines. However, this flexibility has been eroded given that the 2013 CHPI allocation is considerably less than the combined total of current program costs and CSUMB benefits. This funding gap will mean that it will not be possible to provide financial supports to housing at the same level as in the past. Staff will work towards designing a service and funding approach that will mitigate the impact on the community. This exercise will be challenging given that there is less funding and the services support the most vulnerable in our community.

Pending the provincial CHPI guidelines, it is anticipated that each municipality will establish its own guidelines for the services that it decides to deliver. The local planning process will involve considerable data gathering, analysis, and consultation to establish local policies. Although the provincial expectation is that the new consolidated program be implemented on January 1, 2013, any major changes to program design and funding will not take place in 2013 to allow time to plan and consult with the community.

The changes relating to the Community Start Up and Maintenance Benefit are far-reaching. From a funding perspective, the Province is directing only half of the funds previously spent on this benefit to CHPI. The funds are being diverted into the general CHPI envelope. Municipalities will need to determine if they wish to provide a program or benefit to meet the same purpose.

CSUMB is currently a mandatory benefit, meaning that if you qualify, you should receive the funds. Under CHPI, any service or program established by a municipality for this purpose will have capped funding. Depending on how the program is structured, recipients of social assistance benefits may now have to compete with persons who are not in receipt of provincial social assistance benefits for a limited source of funding. Another change is that applicants will lose the statutory right of appeal if they are denied the benefit.

## **RELEVANT CONSULTATION**

Corporate Services, Finance and Administration staff were consulted and provided input in the writing of this report.

## **ANALYSIS / RATIONALE FOR RECOMMENDATION**

The Province has established a Technical Advisory Group, composed of municipal representatives to support implementation of the CHPI. Programs guidelines will be released in the early fall of 2012 based on the work of the Technical Advisory Group.

The Province has set a deadline of January 1, 2013 for finalizing a CHPI Service Agreement between the Province and each municipality. The Service Agreement will outline the provincial reporting and contractual obligations for CHPI.

In order to plan for the implementation date of January 1, 2013, it is necessary to confirm the net levy portion of the CHPI budget in advance. It is therefore recommended that the four net levy budget lines be transferred to CHPI in order to have this information for planning purposes and to maintain the financial stability of the existing programs moving forward.

Hamilton's CHPI Investment Plan must be in place by March 31, 2013. The Investment Plan will outline how the funding will be allocated based on the four service categories. A CHPI Project Team has been established by Housing Services Division staff to undertake a detailed analysis of all services currently funded through the five CHPI programs and the delivery of financial supports for housing. Consultation with service providers and clients will take place to determine how services may be most effectively delivered.

During the balance of 2012, a CHPI Project Team will work on a service delivery model and implementation plan for CHPI. The first priority will be the design of a system to deliver financial supports to housing for low-income householders. This was previously delivered through the Ontario Works and ODSP Programs as CSUMB. The timing is critical, as CSUMB will be eliminated January 1, 2013.

The second priority will be to establish the 2013 budget for CHPI and a review of immediate impacts on the level of service. The intent is to maintain the present service delivery model for the five existing programs in 2013 and to conduct a full analysis throughout 2013 in preparation for implementation for any changes in 2014. The CHPI programs are the foundation of services for people experiencing homelessness in our community and therefore any changes need to be made cautiously.

The City of Hamilton will work with community partners to facilitate an effective transition to the new program while maintaining stability and service levels.

Lastly, it is necessary to review the changes to the Ontario Works Directives and the impact of those changes on the Emergency Shelter and Domiciliary Hostel Programs.

Financial and staffing implications as well as a local plan for the CHPI will be provided to Emergency and Community Services Committee (E&CS) in December 2012, for consideration and approval, with an implementation date of January 1, 2013.

### **ALTERNATIVES FOR CONSIDERATION**

There are no alternatives for consideration for Report CS12031.

### **CORPORATE STRATEGIC PLAN**

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

#### ***Financial Sustainability***

- ◆ Delivery of municipal services and management capital assets/liabilities in a sustainable, innovative and cost effective manner

#### ***Intergovernmental Relationships***

- ◆ Acquire greater share of Provincial and Federal grants (including those that meet specific needs)

#### ***Social Development***

- ◆ Everyone has a home they can afford that is well maintained and safe
- ◆ Residents in need have access to adequate support services

### **APPENDICES / SCHEDULES**

Appendix A to Report CS12031 – Letter to Chris Murray, City Manager from Janet Hope, Assistant Deputy Minister, Ministry of Municipal Affairs and Housing.

**Ministry of  
Municipal Affairs  
and Housing**

Assistant Deputy Minister's Office

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July 24, 2012

Chris Murray  
City Manager  
City of Hamilton

Dear Mr. Murray:

I am writing to inform you about the introduction of the Community Homelessness Prevention Initiative (CHPI) and to provide details about the first year's funding allocation for the City of Hamilton under this program.

A commitment to housing and homelessness program consolidation was one of the outcomes from the Provincial-Municipal Fiscal and Service Delivery Review. Consolidating housing and homelessness-related programs is a key part of Ontario's Long-Term Affordable Housing Strategy (LTAHS) to transform the housing system and put people first. Under LTAHS, the Province committed to consolidate the following housing and homelessness related programs:

- Consolidated Homelessness Prevention Program;
- Emergency Energy Fund;
- Emergency Hostel Services;
- Domiciliary Hostel Program; and,
- Provincial Rent Bank.

Beginning January 1, 2013, the Ministry of Municipal Affairs and Housing will assume financial and administrative responsibility of the new consolidated program. The Province has been working closely over the past year with a group of Service Manager representatives, selected by the Association of Municipalities of Ontario (AMO) and the City of Toronto, on the development of the new program. The input from this group has been invaluable to shaping the CHPI.

The vision for the new program is a better coordinated and integrated service delivery system that is people-centered, outcome-focused and reflects a Housing First approach to prevent, reduce and address homelessness. Over time, this approach will shift the focus of services from reactive responses to homelessness to more proactive and permanent solutions focused on the following two key outcomes:

1. People experiencing homelessness obtain and retain housing; and
2. People at risk of homelessness remain housed.

Under the CHPI, Service Managers will have increased flexibility to use the consolidated funding in any of the following service categories:

1. Emergency Shelter Solutions (e.g. emergency shelter and/or safe bed);
2. Housing and Related Supports (e.g. permanent housing, rental allowance);
3. Services and Supports (e.g. street and housing outreach, food banks, housing search); and,
4. Homelessness Prevention (e.g. rent support/eviction prevention).

All programs and services that are eligible under the current homelessness-related programs will continue to be eligible under the new program. Furthermore, many additional programming options will now be possible as a result of enhanced program flexibility.

The new approach to provincial homelessness program funding will combine funding from the five existing homelessness-related programs listed above into a single funding envelope. Service Managers will have greater flexibility to use this funding to address local homelessness-related priorities and to better meet the needs of individuals and families who are homeless or at risk of becoming homeless.

The Community Homelessness Prevention Initiative is a 100% provincially funded investment that amounts to approximately \$246 million for 2013-14. This includes the current level of funding associated with the five existing programs and the scheduled upload of the Emergency Hostel Services portion of Ontario Works – consistent with our commitment under the Provincial-Municipal Fiscal and Service Delivery Review. This amount also includes 50 per cent of provincial expenditures from the former Community Start-Up and Maintenance Benefit (CSUMB) and the scheduled upload related to CSUMB.

The Ministry will consult with Service Manager representatives through a Technical Advisory Group, composed of Service Manager Representatives selected by AMO and the City of Toronto, for input on the following elements of the consolidated program:

- Performance indicators and metrics;
- Guidelines for the newly consolidated program; and,
- Investment Plan/Service Contract templates.

Further details on the program design, guidelines and reporting requirements will be provided to each Service Manager upon completion of the work of the Technical Advisory Group – scheduled for early Fall 2012.

## Details of the First Year's Funding Allocations

Funding will be issued in quarterly instalments. The first instalment will be issued in January 2013. For planning purposes, the allocation for the City of Hamilton in January 2013 will be \$ 3,753,054, and for April 2013 to March 2014 will be \$ 15,728,279. We will provide you with the final figures for these allocations by September 10, 2012.

The allocation for each Service Manager is based on a combination of current funding and needs-based funding as follows:

1. Base Funding: This part of the envelope consists of current funding for the five programs being consolidated. Allocations are based on a combination of:
  - o What each Service Manager currently receives under four of the programs (Consolidated Homelessness Prevention Program, Emergency Energy Fund, Domiciliary Hostel Program, Provincial Rent Bank); and,
  - o Each Service Manager's most recent three-year average of expenditures for Emergency Hostel Services (to account for changes in demand for these services over time).
2. Needs-Based Funding: This part of the envelope consists of the reinvestment from the CSUMB program (removed from social assistance and reallocated to the consolidated program) and the scheduled upload of Ontario Works financial assistance for both Emergency Hostel Services and CSUMB.
  - o Funding is allocated according to each Service Manager's share of households in Deep Core Housing Need (a Statistics Canada measure that identifies households who spend over 50 per cent of their gross income on housing and, or, also have issues related to suitability and adequacy).

The new CHPI represents a significant change for both Service Managers and the Province and is an important step toward transforming Ontario's housing and homeless system. We also recognize that the current five programs may be delivered within different departments across Service Managers. We appreciate your assistance in ensuring this information is shared as most appropriate.

We are committed to working with Consolidated Municipal Service Managers and District Social Services Administration Boards in the development of a more people-centered housing and homelessness system and will work with staff of the City of Hamilton to facilitate an effective transition to the new program while maintaining stability for clients. In the coming days, you will receive an invitation to a webcast presentation that will provide more detail on the program design and allocation model of the CHPI. We ask that you share this invitation with the appropriate staff members in your organization and, if applicable, inform us of any particular staff member that can act as a main contact for the new program.

We look forward to hearing from you if you have any questions. Please contact Tony Brutto, Team Lead by telephone at 519-873-4032, or by e-mail at [tony.brutto@ontario.ca](mailto:tony.brutto@ontario.ca) for more information.

Sincerely,

*(original signed by)*

Janet Hope  
Assistant Deputy Minister  
Housing Division  
Ministry of Municipal Affairs and Housing

cc. Gillian Hendry, Director, Housing Service Division  
[Gillian.Hendry@hamilton.ca](mailto:Gillian.Hendry@hamilton.ca)

**Ministry of  
Municipal Affairs  
and Housing**

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**Ministère des  
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A commitment to housing and homelessness program consolidation was one of the outcomes from the Provincial-Municipal Fiscal and Service Delivery Review. Consolidating housing and homelessness-related programs is a key part of Ontario's Long-Term Affordable Housing Strategy (LTAHS) to transform the housing system and put people first. Under LTAHS, the Province committed to consolidate the following housing and homelessness related programs:

- Consolidated Homelessness Prevention Program;
- Emergency Energy Fund;
- Emergency Hostel Services;
- Domiciliary Hostel Program; and,
- Provincial Rent Bank.

Beginning January 1, 2013, the Ministry of Municipal Affairs and Housing will assume financial and administrative responsibility of the new consolidated program. The Province has been working closely over the past year with a group of Service Manager representatives, selected by the Association of Municipalities of Ontario (AMO) and the City of Toronto, on the development of the new program. The input from this group has been invaluable to shaping the CHPI.



The vision for the new program is a better coordinated and integrated service delivery system that is people-centered, outcome-focused and reflects a Housing First approach to prevent, reduce and address homelessness. Over time, this approach will shift the focus of services from reactive responses to homelessness to more proactive and permanent solutions focused on the following two key outcomes:

1. People experiencing homelessness obtain and retain housing; and
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Under the CHPI, Service Managers will have increased flexibility to use the consolidated funding in any of the following service categories:

1. Emergency Shelter Solutions (e.g. emergency shelter and/or safe bed);
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3. Services and Supports (e.g. street and housing outreach, food banks, housing search); and,
4. Homelessness Prevention (e.g. rent support/eviction prevention).

All programs and services that are eligible under the current homelessness-related programs will continue to be eligible under the new program. Furthermore, many additional programming options will now be possible as a result of enhanced program flexibility.

The new approach to provincial homelessness program funding will combine funding from the five existing homelessness-related programs listed above into a single funding envelope. Service Managers will have greater flexibility to use this funding to address local homelessness-related priorities and to better meet the needs of individuals and families who are homeless or at risk of becoming homeless.

The Community Homelessness Prevention Initiative is a 100% provincially funded investment that amounts to approximately \$246 million for 2013-14. This includes the current level of funding associated with the five existing programs and the scheduled upload of the Emergency Hostel Services portion of Ontario Works – consistent with our commitment under the Provincial-Municipal Fiscal and Service Delivery Review. This amount also includes 50 per cent of provincial expenditures from the former Community Start-Up and Maintenance Benefit (CSUMB) and the scheduled upload related to CSUMB.

The Ministry will consult with Service Manager representatives through a Technical Advisory Group, composed of Service Manager Representatives selected by AMO and the City of Toronto, for input on the following elements of the consolidated program:

- Performance indicators and metrics;
- Guidelines for the newly consolidated program; and,
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Further details on the program design, guidelines and reporting requirements will be provided to each Service Manager upon completion of the work of the Technical Advisory Group – scheduled for early Fall 2012.

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The allocation for each Service Manager is based on a combination of current funding and needs-based funding as follows:

1. Base Funding: This part of the envelope consists of current funding for the five programs being consolidated. Allocations are based on a combination of:
  - What each Service Manager currently receives under four of the programs (Consolidated Homelessness Prevention Program, Emergency Energy Fund, Domiciliary Hostel Program, Provincial Rent Bank); and,
  - Each Service Manager's most recent three-year average of expenditures for Emergency Hostel Services (to account for changes in demand for these services over time).
2. Needs-Based Funding: This part of the envelope consists of the reinvestment from the CSUMB program (removed from social assistance and reallocated to the consolidated program) and the scheduled upload of Ontario Works financial assistance for both Emergency Hostel Services and CSUMB.
  - Funding is allocated according to each Service Manager's share of households in Deep Core Housing Need (a Statistics Canada measure that identifies households who spend over 50 per cent of their gross income on housing and, or, also have issues related to suitability and adequacy).

The new CHPI represents a significant change for both Service Managers and the Province and is an important step toward transforming Ontario's housing and homeless system. We also recognize that the current five programs may be delivered within different departments across Service Managers. We appreciate your assistance in ensuring this information is shared as most appropriate.

We are committed to working with Consolidated Municipal Service Managers and District Social Services Administration Boards in the development of a more people-centered housing and homelessness system and will work with staff of the City of Hamilton to facilitate an effective transition to the new program while maintaining stability for clients. In the coming days, you will receive an invitation to a webcast presentation that will provide more detail on the program design and allocation model of the CHPI. We ask that you share this invitation with the appropriate staff members in your organization and, if applicable, inform us of any particular staff member that can act as a main contact for the new program.

We look forward to hearing from you if you have any questions. Please contact Tony Brutto, Team Lead by telephone at 519-873-4032, or by e-mail at [tony.brutto@ontario.ca](mailto:tony.brutto@ontario.ca) for more information.

Sincerely,

*(original signed by)*

Janet Hope  
Assistant Deputy Minister  
Housing Division  
Ministry of Municipal Affairs and Housing

cc. Gillian Hendry, Director, Housing Service Division  
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