



CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Housing Services Division

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	August 11, 2022
SUBJECT/REPORT NO:	Adaptation and Transformation of Services for People Experiencing Homelessness Update 6 (HSC20020(f)) (City Wide)
WARD(S) AFFECTED:	City Wide
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SUBMITTED BY:	Al Fletcher Acting Director, Housing Services Division Healthy and Safe Communities Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That staff be authorized to implement an interim plan for homelessness system service levels at an approximate cost of \$5.472M for additional pressures in 2022 and to the end of March 2023, as follows:
- (i) In 2022:
- (1) A one-time grant to a maximum amount of \$3.04 M to Mission Services for capital improvements to a new men's emergency shelter location, replacing the current location at 325 James St. North to retain permanent emergency shelter for approximately 58 men and add 50 new transitional beds of which up to 24 can be used for shelter surge capacity in the men's shelter system;
 - (2) Ancillary costs, including security and damages, associated with the rental of hotel rooms for expanded temporary emergency

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shelter for single men and women, in the approximate amount of \$500 K;

- (ii) From January to March 2023, addressing the needs of community members accessing the emergency shelter system through:
 - (1) Interim capacity of up to 100 additional beds in the women's emergency shelter system as needed, by extending temporary emergency shelter operations at 378 Main Street East (the former Cathedral Boys School) at an approximate cost of \$334 K monthly for an approximate total of \$1 M;
 - (2) Maintaining increased interim emergency shelter capacity of up to 24 beds in the men's system, by increasing the overflow capacity of the new Mission Services men's shelter by up to 24 additional beds in the approximate monthly amount of \$58.3 K for an approximate total of \$175 K;
 - (3) Extending four temporary emergency shelter beds at Salvation Army men's shelter at an approximate cost of \$22 K; and;
 - (4) Continuation of enhanced drop-in services including but not limited to The Living Rock Ministries, Mission Services of Hamilton Inc., Wesley Urban Ministries Inc. and The Hamilton Young Women's Christian Association (YWCA) in the approximate monthly amount of \$245 K for an approximate total of \$735 K;
- (b) That staff be directed to pursue full recovery from senior levels of government for the costs identified in recommendation (a) as they are associated to COVID and that recommendations will be coming back through the Year End report outlining what has been funded and what requires additional funding;
- (c) That staff be directed to bring a business case forward to Council through the 2023 budget process detailing a phased transition plan over the remaining nine months of 2023 for the emergency shelter system; and,
- (d) That the Mayor, on behalf of City Council, correspond with the Federal Minister of Housing and Diversity and Inclusion and the Provincial Minister of Municipal Affairs and Housing to advocate for additional transitional COVID-19 funding resources to support ongoing housing and homelessness systems responses, address budgetary shortfalls, and mitigate impacts on the City.

EXECUTIVE SUMMARY

Housing Services Division has identified key actions to support implementation of a phased transition plan over the next 8 months for the emergency shelter system. This transition plan will support the City in COVID-19 recovery efforts in a planned and gradual manner, while working toward the goals of:

- ensuring that the City is no longer reliant on hotels for emergency shelter overflow for more than 30 families as of September 30, 2022 and hotel overflow for single men and women as of December 31, 2022;
- executing operationally and financially sustainable actions to address the immediate and long-term needs of the community with respect to emergency shelter and supports for obtaining permanent housing; and,
- addressing pressures that existed prior to COVID-19 that have been exacerbated during the pandemic related to shelter built-form, staffing capacity, and permanent housing placement support.

Since March 2020, there has been significant adaptation to Hamilton's emergency shelter system to respond to unprecedented needs of unhoused residents in Hamilton through various phases of the COVID-19 pandemic. Agreements with hotels have allowed the City to make available additional emergency shelter beds for families, women, and men in physically distanced non-congregate settings. Additionally, over the last two years Council has supported several expanded interventions in the homeless-serving system that have enhanced supports for people at risk of and experiencing homelessness.

The current level of emergency response in the homeless-serving system through hotel overflow and other temporary expansions of program and services that were brought online during the pandemic is financially and operationally unsustainable. At the same time, an immediate return to pre-pandemic service levels risks further de-stabilizing Hamilton's homeless-serving system at a time when the sector is experiencing unprecedented demand and continued risk of infection in congregate settings alongside critical capacity and staffing challenges. Whereas continuation of service levels in the 2022 Council-approved budget would translate to a cost of \$22.5 M annually in operations, implementation of the proposed interim transition plan, at a cost of \$2.26 M to \$2.4 M in Q1 2023, will allow for Housing Services Division to minimize use of hotels for emergency shelter spaces, while continuing to identify and implement person-centered approaches to emergency sheltering that are flexible, agile, and adaptable while also being financially sustainable.

In order to support the decrease in reliance on hotels and transition to a more sustainable model for emergency sheltering in the men's system, it is recommended that support be provided to Mission Services to create a new men's emergency shelter location, replacing the current location at 325 James St. North. The new location would

retain permanent emergency shelter for approximately 58 men and add 50 new transitional beds of which up to 24 can be used for shelter surge capacity in the men's shelter system, allowing for added flexibility in built form to adapt the space based on potential pressures. The proposed capital costs for the relocation, renovation and expansion of this shelter are critical to ending reliance on hotels for emergency sheltering and also support a transition to a more responsive, resilient, sustainable and housing-focused homeless-serving system.

The recommendations in Report HSC20020(f) outline the implementation of an evidence-based transition plan for Hamilton's emergency shelter system through COVID recovery. This report outlines interim actions up to March 31, 2023 that can be taken by Housing Services Division to ensure a level of stability in this sector as part of the transition process. Recommended investments outlined are additional to the base services and supports that form Hamilton's core emergency shelter response, which consists of 341 beds (pre-pandemic service level). As many pandemic related measures are more broadly lifted in the community in accordance with the Provincial reopening plan, Housing Services Division continues to recommend a gradual and cautious approach to adapting service levels in the emergency shelter system. An overview of pre- and during-COVID-19 service levels, as well as proposed service levels for the interim approach to March 31, 2023 are outlined in Appendix "A" to Report HSC20020(f).

Alternatives for Consideration – See Page 12

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial:

The full suite of recommended interim investments totalling an approximate cost of \$5.472 M detailed by calendar year in Table 1 below. The costs recommended have been identified as important to ensuring the transition to a sustainable level of ongoing resourcing for the emergency shelter system while addressing the immediate and long-term needs of individuals experiencing homelessness in our community.

Housing Services 2022 COVID-19 forecasted expenditures total \$23.8M before the recommendations proposed in report HSC20020(f), and if approved, would total \$29.27 M. To date a total of \$6.1 M (20%) from Social Services Relief Fund Phase 5 Provincial funding has been received, therefore \$23.17 M (80%) is Municipal funded.

Housing Services will bring a business case forward to Council through the 2023 budget process providing the April 2023 to December 2023 costs associated with a detailed phased transition plan.

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Table 1: Illustration of recommendations and expenditures by budget year:

Recommendation HSC20020(f)	Agency and Service Provided	2022 \$	2023 \$ Jan-Mar
(a)(i)(1)	Mission Services Capital – Shelter Renovation	\$3.04 M	-
(a)(i)(2)	Hotels Security & Damages	\$500 K	-
(a)(ii)(1)	Good Shepherd Centre Shelter Beds	-	\$1 M
(a)(ii)(2)	Mission Services Shelter Overflow Beds	-	\$175 K
(a)(ii)(3)	Salvation Army Shelter Beds	-	\$22 K
(a)(ii)(4)	Various Drop-In Services	-	\$735 K
Total Expenditures		\$3.54 M	\$1.932 M

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

On June 19, 2020, the Emergency and Community Services Committee approved Report HSC20020 Adaptation and Transformation of Services for People Experiencing Homelessness, outlining COVID-19 related adaptations to Hamilton’s emergency shelter system until June 30, 2021.

On July 13, 2020, the Emergency and Community Services Committee approved Report HSC20020(a) Adaptation and Transformation of Services Update 1. The Housing Services Division purchased services of rental hotel rooms and associated services, such as cleaning, security and food provision to meet the needs of homeless individuals, couples and families. Women’s emergency shelters and other emergency shelter providers received additional financial support to increase staffing capacity.

On June 3, 2021, the Emergency and Community Services Committee approved Report HSC20020(c) Adaptation and Transformation of Services for People Experiencing Homelessness Update 3, outlining further adaptations of Hamilton’s emergency shelter system as a result of COVID-19 and an initial evidence-based transition plan for Hamilton’s emergency shelter system through post-COVID recovery that included: continued operation of 378 Main Street East (the former Cathedral Boys School) as a

temporary shelter for men; the rental of hotel rooms for expanded temporary housing, staffing and additional supports; continuation of operation of COVID-19 isolation services; continuation of enhanced drop-in services; and temporarily increasing the women's emergency shelter system by opening Emma's Place for up to two years (15 beds) and continuing to temporarily extend hotel and case management operations for up to 55 beds.

On December 9, 2021, the Emergency and Community Services Committee approved Report HSC20020(d) Adaptation and Transformation of Services for People Experiencing Homelessness Update 4. This report outlined actions related to the continuation of isolation services, drop-ins, and use of hotel rooms for expanded temporary sheltering, providing necessary flexibility in responding to immediate and ongoing needs during COVID-19 for people experiencing homelessness. Specifically: transitioning the overflow shelter at the former Cathedral Boys School into a temporary shelter for women; adding approximately 28 temporary emergency shelter beds as men's system overflow; establishment of a funding source to support vulnerable residents through the winter months; creation of an Emerging Needs Fund to prevent and address homelessness experienced by Indigenous community members of Hamilton; support for capital renovations required to continue to operate Carol Anne's Place as a temporary drop-in program; and approval to hire and retain a consultant to evaluate the feasibility of implementing a New Westminster style bylaw in Hamilton to deal with the issue of 'renovictions'.

On July 7, 2022, the Emergency and Community Services Committee received Report HSC20020(e) Adaptation and Transformation of Services for People Experiencing Homelessness Update 5. This Report outlined an initial transition strategy to work toward ensuring that the City is no longer reliant on hotels for emergency shelter overflow, including sector-based actions under way to support this transition, and provided a summary of pre-COVID service levels compared with expanded service levels during COVID-19.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None

RELEVANT CONSULTATION

In addition to working in close partnership with the Finance and Corporate Services Department, Communications and Strategic Initiatives Division and the Emergency Operations Centre on this strategy, Housing Services Division staff continue to consult with a range of sector partners on post-pandemic service levels required to meet both the interim- and long-term needs of individuals and families at risk of and experiencing homelessness in Hamilton. Through this, collaborative work with local Indigenous

leadership continues to be prioritized in order to further develop connections to housing and supports that are culturally appropriate and rooted in the spirit and actions of reconciliation that recognize the values of autonomy and self-determination.

Housing Services Division convened an Emergency Shelter Coordination Table, created through facilitated planning sessions occurring on June 16, 22, and July 11, 2022. The Emergency Shelter Coordination Table and Coordinated Access governance structure overall will continue to support transition from emergency response to systems planning.

In July 2022, Housing Services Division contracted with the Social Planning and Research Council of Hamilton (SPRC) to support a review of post-pandemic emergency sheltering needs and recommendations. This review will initially focus on the optimal number of emergency shelter spaces for women, youth, men and families, with options for responding to couples. Housing Services Division has received initial recommendations based on the consultation and is in the process of reviewing the content and developing a long-term implementation plan to be brought forward to Council for review as part of the 2023 budget process.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The recommendations in Report HSC2020(f) support an evidence-based and phased interim service level plan for emergency shelter and related services in Hamilton's homeless-serving system, through the remainder of 2022 and the first quarter of 2023. Staff continue to assess available data and engage with stakeholders to inform recommended service levels for April to December 2023, to be brought forward to Council through the 2023 budget process.

While the current level of emergency response is financially and operationally unsustainable, immediately returning to pre-pandemic service levels is not feasible given the current level of need. Over the course of the pandemic, the number of shelter beds in the system were increased from 341 to 507 and 381 hotel rooms were brought online. From the start of the pandemic response on March 16, 2020 through June 2022, the expanded shelter system supported a total of 5481 unique individuals and 488 families. At the end of June 2022, 233 individuals and 48 families remained in hotel shelter overflow while permanent shelter spaces remained full. An immediate return to pre-pandemic service levels would not meet the current level of ongoing unprecedented demand. This would compromise support for households currently reliant on the homeless-serving system, putting many at risk of unsheltered homelessness. The added pressure would further de-stabilize Hamilton's homeless-serving sector, which is already vulnerable to staffing crises and burnout. Phasing back from the pandemic level of supports must be gradual and informed by review currently underway to determine projected need for emergency shelter alongside broader housing support programs.

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In the absence of continued provincial funding, through the interim strategy the following services will be discontinued, as there are other investments that can be leveraged to continue to meet the needs of as many households as possible and mitigate risks:

- **Hotel Overflow and Isolation Services:** Hotel emergency shelter overflow for single men and women and isolation services will cease by December 31, 2022. Family hotel overflow spaces will continue for a maximum of 30 families by September 30, 2022.
- **Indigenous Emerging Needs Fund (IENF):** By December 31, 2022, the IENF will cease. This fund has a budget of \$2 M through 2022 with the intent to address immediate, time sensitive needs to prevent and address homelessness experienced by Indigenous community members in Hamilton. It's expected that the IENF will have supported 250 households by the end of 2022 with financial assistance to cover expenses such as: first and/or last month's rent, short term rental assistance, and basic needs. Dedicated Indigenous allocations for housing affordability resources referenced below during the interim period may alleviate some risks posed as this fund ends, alongside continued prioritization of Indigenous individuals for access to current and emerging housing resources.
- **Expanded Winter Response Fund (\$500 K in winter 2021-22):** Given limited resources, the expanded winter response fund, which supported the expansion of warming centres and overnight support during winter cold alerts, will not continue in 2022. This will pose capacity pressures on existing shelter and drop-in programs to absorb increased demand while creating risk that not all individuals who require a warm indoor space will have access to one. This risk will be mitigated through the interventions noted below, which will continue to support individuals through the winter months, along with the ongoing work of the Housing Focused Street Outreach Team and drop-in staff to connect people living unsheltered to immediate indoor resources as well as longer term housing supports through system-wide case conferencing. In addition, the City's cold weather response will continue which includes the use of City recreation facilities and libraries as warming centres during cold weather alerts.
- **Isolation Centres** will be discontinued unless otherwise directed through public health requirements. 622 individuals have received support through Isolation Centres to date.

During this interim period up to March 31, 2023, the following interventions would remain part of our pre-existing emergency shelter and broader homeless-serving system and will continue to be in place to support the ongoing needs of community members while mitigating the risks associated with the phasing down of pandemic specific investment:

Core Emergency Shelter System Service Levels

- Investment in core-funded services and supports that form Hamilton's emergency shelter response remains in place, consisting of a total of 341 beds (existing pre-pandemic service level for women's, men's, youth and family emergency shelter beds).
- Single women, men, families, and youth will continue to be supported through housing-focused case management support at shelters and from Housing Services staff. A range of options are available depending on the needs and level of supports required by each individual household, which may include: prevention and diversion; Rent Ready; Housing Allowances; the Canada-Ontario Housing Benefit (COHB); and Intensive Case Management.

Enhanced Emergency Supports for Single Women, Men, and Youth

- Women's Shelter System: Continuation of Emma's Place (15 beds) pending the full completion of the review of emergency shelter capacity needs and the temporary maintenance of 100 spaces at Cathedral until the 73 units of permanent housing at Arkledun come online (Report HSC22047). This is necessary to support transition from hotel overflow. In Q2 2022, 251 women were supported through the emergency shelter system with 98 women in shelter at the end of June, not including hotel overflow. Additionally, the women's shelter system has been routinely over-capacity both pre and throughout the pandemic and the number of unique individuals served has doubled during this time. Additional permanent shelter spaces above pre-pandemic levels are expected to be required to meet the needs of women accessing the homeless-serving system.
- Men's Shelter System: Temporary maintenance of an additional 28 shelter beds for men is necessary while phasing down use of hotel rooms given 673 men were supported through emergency shelters in Q2 2022, with 212 men in shelter at the end of June 2022, not including hotel overflow. Four of the required additional beds are covered by the proposed extended funding for four temporary shelter beds at Salvation Army. The additional 24 beds could be achieved through the relocation, renovation, and expansion of Mission Services.
- The proposed capital costs for the relocation, renovation, and expansion of Mission Services' Men's Shelter will maintain 58 ongoing shelter spaces and bring online 50 additional transitional beds for male identifying individuals to reside in private rooms as they work towards securing permanent housing. The transitional beds program offers tailored support within the existing shelter environment. Operational costs are 100% covered by program participants' fees with no added cost to the city. Participants in this program, previously operating as a pilot with 15 beds at Mission's current James Street location, have shown an 80% success rate at achieving permanent housing with an average length of stay less than 2 months. This represents a 30% higher success rate than those in a typical shelter program. Up to

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24 of these transitional beds can be made available for shelter overflow if and as needed.

- Youth Shelter System: Existing bed capacity is sufficient for the youth population at this time. Enhancements for prevention, diversion, and landlord liaison for youth will be explored through the Reaching Home incremental investment.
- Ongoing investment in drop-in programs for women, youth, and men will continue during this interim period in order to support individuals who require low barrier support and for whom shelters may not be a suitable option. This will help offset the risk of lost funding for the expanded winter response fund at the same time that hotel shelter spaces will be reduced, ensuring that individuals still have a safe indoor space to go for supports and shelter during the cold. Further work is underway with partners in both housing and health sectors to determine sustainable ways to meet ongoing need.

Family Sector

- After September 30, 2022, family hotel overflow spaces will continue to be available for up to a maximum of 30 families, with case management support from Housing Services staff. Housing Services will use in-year savings to fund a temporary staff position at the Good Shepherd Family Centre to support the increased number of families accessing emergency shelter space.
- Allocation of enough Canada-Ontario Housing Benefits (COHB) to support all families currently in the emergency system with a portable rent subsidy. The province requires a unit to be secured to access the COHB, therefore the availability of sufficient family sized units is the largest challenge to operationalizing this support.
- Ongoing enhanced family shelter and case management capacity is necessary given that family hotel overflow reached a peak of 95 rooms earlier this year and from March through June 2022, the Family Centre shelter had to turn away an average of 45 families per month due to lack of space.

Indigenous Community

- Recognizing the systemic overrepresentation of Indigenous peoples among those experiencing homelessness in Hamilton, 20% of all federal homelessness program dollars are dedicated to Indigenous-specific homelessness services. This includes 20% of the new Reaching Home incremental investment. Funding recommendations are driven by the Indigenous Community Entity (the Coalition of Hamilton Indigenous Leadership) and the Indigenous Community Advisory Board.
- Dedicated Indigenous allocation of the Canada-Ontario Housing Benefit (COHB), a portable deep housing subsidy equivalent to Rent Geared to Income housing); municipal housing allowances; and Rent Ready (\$300 K for 2022).

Investments in Homelessness Prevention and Permanent Housing

- On July 12, 2022 the Housing Services Division received the anticipated amending agreement for the federal Reaching Home program, providing incremental increases of approximately \$3.7 M in this fiscal year and next (HSC22032). This incremental increase will be invested in enhancements to the broader homelessness-serving system of care with an emphasis on prevention, early intervention, and intensive case management with wraparound supports for those with a high acuity of need to obtain and sustain permanent housing.
- The Housing Services Division is currently working with Good Shepherd Services to bring online 73 units of permanent supportive housing for women, transgender, and non-binary community members experiencing homelessness through the Arkledun project (Report HSC22047). These units are expected to come online by Q1 2023, which will help facilitate closure of the temporary emergency shelter at Cathedral. Investments in permanent housing are critical to supporting the core housing needs of individuals and ultimately less expensive than emergency response.
- The Housing Services Division continues to leverage Rapid Housing Initiative funding to secure new units of deeply affordable housing, through which 155 new units will become available by the end of 2022 for individuals experiencing homelessness or on the Access to Housing waitlist.

The City of Hamilton continues to advocate for appropriate resources from the province to fund permanent housing with supports for high acuity clients whose needs exceed capacity of the homeless serving system alone.

Next Steps: Service System Design and Planning

Prior to the COVID-19 pandemic, the emergency shelter system in Hamilton was not designed or resourced to ensure a bed was always available. The ending of specific pandemic related response means that this is expected to be the case moving forward. The current demonstrated level of need within our community suggests an imperative for additional emergency shelter spaces and a review of shelter-built form.

Further review of ongoing shelter capacity requirements for post-pandemic service levels is underway and recommendations will be brought forward through the 2023 budget process. It is expected that this review will determine the number of additional beds required in each the women's, men's, and family shelter systems; capital costs for shelter enhancements; and Cost of Living Adjustments for shelter staff (as there has not been an increase in block funding since 2013).

In June 2022, the Social Planning and Council of Hamilton (SPRC) conducted a review of post-pandemic emergency sheltering needs and provided Housing Services Division with initial recommendations focusing on sector-specific sheltering needs, including the

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optimal number of emergency shelter spaces for women, youth, men and families, with options for responding to couples. The review also included recommendations related to: staff training, compensation, and recruitment; Indigenous specific shelter and housing considerations; shelter diversion practices; supports to address persistent mental health and addictions issues; and, additional support required for safe exits to permanent housing.

Alongside service use data, Housing Services Division will review the recommendations provided by the SPRC and make recommendations through the 2023 budget process on actions to strengthen sustainability and effectiveness of the emergency shelter system moving forward. The recommendation development process will continue to be informed by data and the expertise of sector partners, as well as the perspective of people with lived expertise and will explicitly seek to ensure:

- that the unique needs and perspectives of Indigenous community members are incorporated throughout recommendation development and implementation; and,
- consideration of, and response to, the needs of marginalized communities through an explicit commitment to equity, diversity, and inclusion that incorporates and includes the expertise, interests, and concerns of people or experiences that may not be present in traditional consultation and engagement methods.

Proposals brought forward to Council will include full costing and implementation details, including potential Levy impacts, and will continue to seek to enhance a diversity of housing-focused interventions that are grounded in a Housing First philosophy and a rights-based approach to housing, in order to shift from emergency response to long-term approaches to ending homelessness.

ALTERNATIVES FOR CONSIDERATION

Alternatives include a mid-level interim investment and a low-level interim investment with associated risks, constituting the following:

Option A (Pre-Pandemic Service Levels plus the following additional enhancements): \$2.062 M (2022 and Jan – Mar 2023)

Table 2: Illustration of Option A recommendations and expenditures by budget year:

Recommendation HSC20020(f)	Agency and Service Provided	2022 \$	2023 \$ Jan-Mar
(a)(i)(2)	Hotels Security & Damages	\$500 K	-
(a)(ii)(1)	Good Shepherd Centre Shelter Beds	-	\$630 K
(a)(ii)(2)	Mission Services Shelter Overflow Beds	-	\$175 K

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(a)(ii)(3)	Salvation Army Shelter Beds	-	\$22 K
(a)(ii)(4)	Various Drop-In Services	-	\$735 K
Total Expenditures		\$500 K	\$1.562 M

Housing Services 2022 COVID-19 forecasted expenditures total \$23.8M before the Option A recommendations proposed in report HSC20020(f), and if approved, would total \$25.862 M. To date a total of \$6.1 M (23.6%) from Social Services Relief Fund Phase 5 Provincial funding has been received, therefore \$19.76 M (76.4%) is Municipal funded.

Investments ceased or phased down in Option A, in addition to those referenced in the recommended option, would include:

- Proposed funding for Mission Services' relocation, renovation, and expansion (\$3.04 M).

Risk: Declining to fund this project would put Mission Services' relocation in jeopardy as no alternative funding source has been identified. While the 58 shelter beds could be maintained without the additional investment, there is a risk of losing the additional 50 transitional beds that would be in place to support exits from emergency shelter to permanent housing. These beds are a net gain to the system that do not require ongoing operating costs and additionally offer the potential for surge shelter capacity at approximately half the cost of operating the current temporary men's overflow shelter. Loss of these 50 transitional beds (and the capacity for 24 of them to serve as shelter surge capacity) is likely to add greater pressure within existing men's shelter bed capacity, leading to increased risk that people will be turned away from shelter. This loss of beds would occur at the end of December 2022 when hotels are winding down in the cold of winter without a winter response fund in place. This could leave an estimate of 75-100 men without shelter per quarter.

- Reduction of bed capacity at Cathedral from 100 to 40.

Risk: Loss of 60 beds within the women's system increases the risk that women will be turned away from shelter. This loss of beds would occur at the end of December 2022 when hotels are winding down in the cold of winter without a winter response fund in place. As with the loss of beds in the men's system, this could leave up to 180-240 women at risk of unsheltered homelessness.

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Option B (Return to Pre-Pandemic Service Levels): \$500 K additional investment (pre-Covid service levels) in 2022

Table 3: Illustration of Option B recommendations and expenditures by budget year:

Recommendation HSC20020(f)	Agency and Service Provided	2022 \$	2023 \$ Jan-Mar
(a)(i)(2)	Hotels Security & Damages	\$500 K	-
Total Expenditures		\$500 K	-

Housing Services 2022 COVID-19 forecasted expenditures total \$23.8M before the Option B recommendations proposed in report HSC20020(f), and if approved, would total \$24.3 M. To date a total of \$6.1 M (25.1%) from Social Services Relief Fund Phase 5 Provincial funding has been received, therefore \$18.2 M (74.9%) is Municipal funded.

Investments ceased or phased down, in addition to those referenced in recommendations and alternative Option B, would include:

- All expanded shelter capacity in men’s, women’s, and family system.
RISK: Substantial risk to a dramatic reduction in shelter bed capacity to a level outstripped by the extent of current need. This is likely to lead to a significantly higher proportion of women, men, and families turned away from shelter and with little to no choice but to stay unsheltered or in encampments during the cold of winter without a winter response fund in place. This could leave approximately 462-500 households at risk of unsheltered and prolonged homelessness
- Drop-in Programs (\$725 K)
RISK: Sudden elimination of this resource at the same time as reducing shelter capacity will create a situation where in 2023 Q1 up to 500-875 of Hamilton’s most vulnerable households will have no drop-in spaces available to access warmth, housing supports, safety, and connection to further community supports.

Should the recommended option not be supported in full, a 30-day provision should be included from date of decision to allow for a transitional wind-down of programs to adequately support clients, partner agencies, and their staff in closing these services.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report HSC20020(e): Overview: Recommendations to Support Emergency Shelter Interim Plan