



CITY OF HAMILTON
Healthy and Safe Communities Department
Housing Services Division

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	November 20, 2024
SUBJECT/REPORT NO:	Federal Community Encampment Response Plan Funding (HSC24051) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Sarah O'Connor (905) 546-2424 Ext. 5784 Shannon Honsberger (905) 546-2424 Ext. 8211
SUBMITTED BY:	Michelle Baird Director, Housing Services Division Healthy and Safe Communities Department
SIGNATURE:	<i>Michelle Baird</i>

RECOMMENDATIONS

- (a) That staff be directed to receive approximately \$5,256,720 in federal Community Encampment Response funding across 2024-25 and 2025-26 fiscal years to reimburse the municipality for funds expended for operating and program costs associated with the City of Hamilton’s shelter and encampment management strategy including the recently approved plan for indoor and outdoor shelter expansion, encampment management, wrap-around services, staffing, etc., and support Indigenous-led homelessness services aimed at ending encampments; and
- (b) That the General Manager of the Healthy and Safe Communities Department or their designate be directed and authorized, on behalf of the City of Hamilton, to negotiate, enter into, execute and administer any and all contracts, agreements and other documents necessary to implement recommendation (a) to report HSC24051 on terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department or their designate and in a form satisfactory to the City Solicitor.

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EXECUTIVE SUMMARY

On September 25, 2024, Council approved Report HSC24027(b) / FSC24028 / PED24162, including the amended recommendation as follows:

- That staff be directed to actively prepare to pursue funding from the \$250 million encampment fund announced in the recent Federal budget, as soon as it becomes available, for all capital and program costs associated with the City of Hamilton's shelter and encampment management strategy.
- That staff be directed to collaborate with the appropriate Federal and Provincial Ministries to pursue cost recovery of Municipal investments in homelessness responses, including our recently approved plan for indoor and outdoor shelter expansion and encampment management, wrap-around services, staffing, etc.

Since September, Housing Services Division staff have been in close discussion with federal counterparts, including a visit from the Director-General and Director responsible for Reaching Home at Housing, Infrastructure, and Communities Canada to see the realities of homelessness in Hamilton. The intention of these discussions was to build awareness of the barriers to reducing homelessness and managing the growing number of encampments, the impact of federal funding and related program outcomes, and advocate for additional funding to increase access to the emergency shelter system and reimburse municipal investments.

In early November, staff were made aware of the federal government's intention to provide encampment relief funding to the City of Hamilton upon completion of a satisfactory Community Encampment Response Plan. This did not include cost-matching from the Province of Ontario, and instead was facilitated directly by the federal government. Staff also learned that there was a requirement to cost-match the funds provided from the federal government with an alternative non-federal source, and the funding would not be able to be used to cover all of the encampment related investments.

Hamilton has been allocated \$5.2M over two years.

At time of writing, staff are preparing a Community Encampment Response Plan that highlights previous Council approved programs with a focus on the indoor and outdoor shelter expansion and wrap-around supports needed to ensure successful shelter stays and progress towards stable housing, as directed by Council. Staff will prioritize the reimbursement of City investments into the indoor and outdoor shelter operations. Staff are also recommending funds directed to the Coalition of Indigenous Leadership (CHIL), to invest in Indigenous-led programs and supports in recognition of the overrepresentation of Indigenous people in the unhoused population.

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To proceed with receipt of federal funds and reimbursement of municipal investments, staff require the authority to enter into a new contract with the federal government. This agreement is intended to closely align with the Reaching Home funding agreements already administered through Housing Services and does not pose a need for additional administrative resources.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The City of Hamilton’s Community Encampment Response allocation is approximately \$5.2M, to be expended between September 2024 and March 2026. This funding will offset the previously approved temporary shelter spaces as well as indigenous services to be allocated through a call for applications. Staff will work with the Finance and Corporate Services Department to adjust budget projections in light of this investment.

2024-2025	2025-2026	Total funding
\$2,628,358	\$2,628,358	\$5,256,716

Staffing: There are no staffing impacts to this report

Legal: The General Manager will require the authority to enter the contract

HISTORICAL BACKGROUND

In June 2024, Council approved Report HSC24027 – Reducing Homelessness and Managing Encampments which listed a number of investments intended to address the growing number of unhoused individuals in Hamilton. Council approved enhancements to the homeless-serving system for an approximate cost of \$1.6M and \$286K for additional investments into encampment management between August 1 and December 31, 2024 funded from available government funding then from any surplus. \$4.2M was referred to the 2025 municipal tax operating budget for consideration. These recommendations included the permanent expansion of the City’s shelter system to address the increased population living in encampments.

On August 6, 2024, Mayor Horwath issued a Mayoral Directive for staff to undertake research respecting options for the manufacture and installation of temporary shelter structures within Hamilton including costs, identification of funding sources, potential vendors, and potential sites.

On September 25, 2024, staff returned to Council with additional recommendations to urgently expand temporary indoor shelter capacity and establish a temporary outdoor

shelter, which were approved. The recommendations included the following financial costs for the municipality:

- \$8.3M funded from the Housing Sustainability and Investment Roadmap Reserve between October 1, 2024, and March 31, 2025.
- \$8.8M referred to the 2025 Tax supported Operating Budget for the period between April 1, 2025, and December 31, 2025 and annualized thereafter.
- \$600K to be included in the 2025 Tax supported Operating Budget to be annualized thereafter.

As part of the September report, Council approved an amending motion to direct staff to pursue federal and provincial funding to offset these investments. The new federal encampment funding represents an opportunity to partially offset investments that are currently and will be being funded through municipal funds.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

Housing Services staff have consulted with internal legal and financial support to understand the implications of accepting this additional funding. These findings contribute to the recommendation that this funding be received and utilized to offset municipal investments.

Staff also connected with the Coalition of Hamilton Indigenous Leadership, the Indigenous-Community Entity recognized by the federal government, to prepare a Community Encampment Response Plan which recognizes the need for Indigenous-led services.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

There are significant system pressures in Hamilton's housing continuum which are impacting the ability to provide emergency shelter space for people and help people secure stable housing. The City is making considerable investments to expand the emergency shelter system and establish a new temporary outdoor shelter, with the goal of reducing homelessness in Hamilton and reducing the number of unsheltered people living outside in encampments. The City has led the way on these investments while advocating for provincial and federal financial support.

Council has directed City staff to pursue funding from the \$250M encampment fund announced in the Federal budget, for all capital and program costs associated with the City of Hamilton's shelter and encampment management strategy. City staff recommend

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the federal funding be focused on offsetting operational costs from shelter expansion and the operations related to the temporary outdoor shelter to best align with funding eligibility criteria and the accelerated implementation timelines.

ALTERNATIVES FOR CONSIDERATION

N/A

APPENDICES AND SCHEDULES ATTACHED

N/A