



## City of Hamilton Report for Consideration

**To:** Chair and Members  
General Issues Committee

**Date:** February 26, 2025

**Report No:** HSC25020

**Subject/Title:** Encampment Response - Provincial Funding

**Ward(s) Affected:** City Wide

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### Recommendations

- (a) That the City to enter into the Encampment Response Initiative Transfer Payment Agreement dated January 1, 2025 attached as Appendix "A" to Report HSC25020 in the amount of \$586,970 regarding the Homelessness Prevention Program with the Province of Ontario and any ancillary agreements, amending agreements, or extensions to agreements and that the General Manager of the Healthy and Safe Communities Department or designate **BE AUTHORIZED AND DIRECTED** to:
  - (i) Execute the aforesaid agreements, in a form satisfactory to the City Solicitor; and,
  - (ii) Execute any ancillary agreements, and documents required to give effect thereto or for the provision of additional funding from the Province of Ontario under the Homelessness Prevention Program, on such terms and conditions satisfactory to the General Manager and in a form satisfactory to the City Solicitor;
- (b) That the General Manager of the Healthy and Safe Communities Department or designate **BE AUTHORIZED** to deliver and administer the Encampment Response Initiative effective as of January 1, 2025, including without limitation:

- (i) The provision of funding from the Homelessness Prevention Program to service providers and that the City; and,
- (ii) That in order to deliver the Encampment Response Initiative and distribute funding from the Homelessness Prevention Program, the City enter into agreements, ancillary agreements, or extensions to agreements with community service providers receiving funding from the Homelessness Prevention Program, on such terms satisfactory to the General Manager of the Healthy and Safe Communities Department or designate and in a form satisfactory to the City Solicitor and that the General Manager of the Healthy and Safe Communities Department be authorized to execute any such agreements or ancillary documentation required to provide funding from the Homelessness Prevention Program to community service providers and deliver the Encampment Response Initiative.

## Key Facts

- The City of Hamilton received a letter from the Ministry on January 27, 2025 regarding additional 2024-25 Confirmed Funding Allocations which included; the Encampment Response Initiative, a new transfer payment agreement under the Homelessness Prevention Program for \$586,970 to support the temporary emergency shelter expansion and Last Mile Funding, an amendment to the existing transfer payment agreement, under Canada-Ontario Community Housing Initiative for \$2,300,000 for supportive housing development.
- Report HSC22005 Municipal Affairs and Housing Homelessness Prevention Program did not provide the General Manager of Healthy and Safe Communities or designate authority to enter into a new transfer payment agreement under the Homelessness Prevention Program.
- Report HSC22025 New Canada-Ontario Community Housing Initiative and Ontario Priorities Housing Initiative Agreement 2022-2025 did provide the General Manager of the Healthy and Safe Communities Department or their designate authority to receive additional funding under the existing transfer payment agreement.
- The letter from the Ministry is subject to the execution of the Transfer Payment Agreement before March 21, 2025, by an authorized signatory. Therefore, Council approval is required to provide delegated authority to the General Manager of Healthy and Safe Communities, to administer the Encampment Response Initiative funding under the Homelessness Prevention Program.

## Financial Considerations

The funding of \$586,970 to be received from the Ministry to support the winddown of encampment sites through the Encampment Response Initiative under the

Homelessness Prevention Program will support the temporary emergency shelter expansion and will reduce the Municipal funding contribution outlined in report HSC24027(b)/FCS24028/ PED24162 Reducing Homelessness and Managing Encampments.

## Background

On September 25, 2024, Council approved staff recommendation through report HSC24027(b)/FCS24028/ PED24162 Reducing Homelessness and Managing Encampments to urgently expand temporary indoor shelter capacity. Council approved an amending motion to direct staff to pursue federal and provincial funding to offset these investments.

The funding letter received from the Ministry on January 27, 2024, outlining the Encampment Response Initiative Funding under the Homelessness Prevention Program, represents an opportunity to partially offset the Municipality's investments.

## Analysis

On December 13, 2024, the Province, through Municipal Affairs and Housing, announced funding opportunities for municipalities committed to and showing progress in reducing encampment sites. This included an opportunity for the City of Hamilton to request additional funding for Canada-Ontario Housing Benefits, shelter expansion, and ready to-build affordable housing projects that would support the winddown of encampment sites.

The City of Hamilton responded in January with a written pledge and submitted proposals for consideration to the Ministry. Table 1 outlines the funding approved by the province in the letter received on January 27, 2025.

Table 1 – Funding Allocations – City of Hamilton

Program	Number of Shelter Beds/ Number of Units	2024-25 Fiscal Year Confirmed Allocation Amounts Encampment
Homelessness Prevention Program - Encampment Response Initiative	192	\$586,970
Canada-Ontario Community Housing Initiative Residual (COCHI) – Last Mile Funding	32	\$2,300,000

The Ministry committed \$586,970 in funding through a new Encampment Response Initiative transfer payment agreement under the Homelessness Prevention Program.

Funds must be spent on hard costs incurred by March 31, 2025, to support the temporary shelter expansion, and will directly reduce the Municipality's investment.

Given this is a new transfer payment agreement, delegated authority is not granted, and council approval is required. The recommendations have been structured to provide the General Manager the authority to execute agreements with the Ministry and service providers.

Also included in the letter from the Ministry is Last Mile Funding under Canada-Ontario Community Housing Initiative Residual for \$2,300,000 that will fund supportive housing development. As stated, the General Manager has delegated authority to accept the funding under the Canada-Ontario Community Housing Initiative.

The request for Last Mile Funding is in alignment with Councils approval through committee report HSC23028(f)/FCS23055(d)/ PED23099(g) Housing Sustainability and Investment Roadmap 2024 Annual Update and 2025 Objective Setting which reiterated the 2024 objective to collaborate with federal and provincial governments to create new, permanent supportive housing units for individuals with highly complex needs who are experiencing chronic homelessness.

The administration of the Last Mile Funding will be led by the Housing Secretariat. The funding received from the province will decrease the total capital request for the project submitted through the Affordable Housing Development Project Stream Program and will allow the project to begin construction. Given this Provincial funding investment, the Housing Secretariat can award funding to another project submitted through the Project Stream.

Not included in this letter, but also secured through the City's pledge, was funding awarded through the Canada Ontario Housing Benefit for \$543,315.37 to support an additional 99 households living in shelters. This funding is paid directly to eligible tenants and has no impact to the City's budget.

## **Alternatives**

Not applicable.

## **Relationship to Council Strategic Priorities**

Priority 2: Safe & Thriving Neighbourhoods

- Preservation and expansion of affordable rental housing

## **Previous Reports Submitted**

- Report HSC24027(b)/FCS24028/PED24162 Reducing Homelessness and Managing Encampments

## **Consultation**

The following internal divisions were consulted and are supportive of the information presented in this report:

David Trevisani, Manager of Finance and Administration, Corporate Services Department, Financial Planning Administration and Policy Division

Alexandra Rigby, Manager Infrastructure Planning and Development, Housing Secretariat Division, Healthy and Safe Communities Department

Michael Kovecevic, Solicitor, Legal Services, Corporate Services Department

## **Appendices and Schedules Attached**

Appendix “A”:                      Encampment Response Initiative Transfer Payment Agreement

**Prepared by:**                      Pilar Homerston, Social Housing Manager, Housing Services, Healthy and Safe Communities

**Submitted and**

**recommended by:**              Michelle Baird, Director, Housing Services, Healthy and Safe Communities