



City of Hamilton Report for Information

To: Mayor and Members
General Issues Committee

Date: April 9, 2025

Report No: HSC25022

Subject/Title: Residential Care Facility Subsidy Program
Modernization Project

Ward(s) Affected: City Wide

Recommendations

- 1) That report HSC25022 respecting Housing with Related Supports Modernization Project **BE RECEIVED** for information:

Key Facts

- At the November 20, 2024, General Issues Committee meeting, staff were directed to report in Q1 2025 on the terms of reference and scope of work that will guide the review of Residential Care Facilities including community consultation.
- This request is specific to the Request for proposal C5-05-23 that was released in June 2023 and the bid for C5-05-23 Proposal for Consulting Services to Develop Housing with Related Supports Modernization Project was awarded on September 18, 2024, to KPMG LLP
- The information in this report is specific to the proposal and scope as agreed upon between the City of Hamilton Housing Services Division staff and the KPMG consultant team.

Financial Considerations

Not applicable

Background

Information Report HSC25022 Housing with Related Supports Modernization Project is in response to Cllrs M. Wilson/Clarks motion arising from the November 20, 2024, General Issues Committee meeting whereby requesting that staff be directed to report in Q1 2025 on the terms of reference and scope of work that will guide the review of Residential Care Facilities including community consultation.

Currently, the Residential Care Facilities Subsidy Program, is administered by the City of Hamilton and subsidizes the cost of accommodation, meals, supervision, and assistance with activities of daily living for eligible tenants. The program, formerly known as the Domiciliary Hostel Program, began in the 1970's as a response to low-income seniors who did not require long term care. The model is characterized as custodial care. Current residents include people with mental health issues, developmental disabilities, acquired brain injuries, histories of homelessness and senior adults.

The City of Hamilton pays the contracted Owner/Operator of the facility on a per diem basis. Residents of the Residential Care Facilities contribute to the cost of the service according to their income and the City provides the balance of the cost through the subsidy program. Within the subsidy program, the City of Hamilton provides subsidy to residents within 46 Residential Care Facilities. There are currently a maximum of 803 subsidized beds available. On average in 2024, the City of Hamilton funded 673 beds per month.

As a form of housing with supports, Residential Care Facilities are an important part of Hamilton's housing continuum and provide an option for people who may require supports along with permanent housing.

In 2019 a review was conducted by Org Code and was designed to determine the degree to which Residential Care Facilities are a solution to homelessness in Hamilton, assessing quality assurance within the context of a locally coordinated housing system that values housing-based outcomes toward ending homelessness. The review also assessed program fidelity to provincial standards, identified areas for continuous local improvement for service planning and delivery to enhance tenant quality of life and ensure a high quality of supportive housing programming. Subsequent review recommendations would focus on alignment with provincial standards and the goal of ending chronic homelessness, as well as financial transparency as it related to receiving public funds to end chronic homelessness. The findings were made public through report HSC19064 Residential Care Facilities Subsidy Program Review. Any progress to implement the strategies noted in the report were put on hold considering the pandemic.

Effective April 2022, the Ministry of Municipal Affairs and Housing shifted existing funding programs under a new consolidated "Homelessness Prevention Program" that contains a new set of program guidelines for provisions of Housing with Related Supports. It is this Provincial program that funds 100% of the Residential Care Facility subsidy program.

Supportive housing is an integral solution to the homelessness crisis currently being experienced in Hamilton and it is important that Residential Care Facilities effectively operate as a solution. Given the significant changes in homelessness and housing, funding guidelines, and feedback from Residential Care Facility Operators, it was necessary to prioritize a Housing with Related Supports Modernization Project to pilot and implement recommendations.

Analysis

The original request for proposal issued in June of 2023 included the following project requirements:

- 1) The new program model will be built on the findings from the Review of Residential Care Facilities in Hamilton completed by Org Code in 2019 and provincial housing with related supports guidelines. The new model will need to take into account the realities of the City of Hamilton's zoning and licensing by-laws and may identify opportunities unique to Hamilton that may be leveraged to achieve the Project goal/improve outcomes but does not need to base the new model on the City of Hamilton Licensing Code - Schedule 20 – Residential Care Facilities Guidelines.
- 2) The housing with supports model will articulate how facilities/homes within the housing with supports program will house and support tenants based on acuity levels as specified through the Vulnerability Index - Service Prioritization Decision Assistance Tool (Vi SPDAT) or other accepted assessment tool.
- 3) The model will include a requirement for triaging/admission through the City of Hamilton's coordinated access system. This includes the identification of an appropriate assessment tool to right match individuals with appropriate supports, including Residential Care Facilities. Under the existing Schedule 20 the eligibility and intake process include a mandatory health assessment; however, there is no further formal practice for matching an individual to a home that meets their needs beyond basic activities of daily living.
- 4) The model will provide opportunity for existing operators to "opt in" or "opt out" – there is not an expectation that all Residential Care Facility operators will transition to the new housing with supports model – nor does the City have an obligation to build a consensus based model that ensures all current Residential Care Facility operators are supportive of the new model.

KPMG will use a focused consultation approach to fulfill the elements of the Project. Current engagement includes a survey to all current Residential Care Facility subsidy program facility owners/operators and support service providers. Jurisdictional review through desktop research and interviews with Windsor to understand their current

model as a comparable City in terms of population and geography. Further analysis of past reviews completed in Brantford, York, Waterloo and Ottawa will provide insight to recommended future states for similar jurisdictions.

Additionally, focus groups will be organized to obtain feedback from key stakeholders and will consist of:

- A sample of 8 current owners/operators of City of Hamilton Residential Care Facility subsidy program facilities.
- Three focus groups with residents of City of Hamilton Residential Care Facilities who receive subsidies.
- A sample of 10 support service providers, including The Greater Hamilton Health Network.
- City of Hamilton Public Health representatives.
- City of Hamilton By-Law and Licensing staff.
- Representatives from MMAH and MOH (if possible).

Housing Services is working to ensure an opportunity for community consultation.

KPMG will propose a new Housing with Related Supports program model to replace the current Residential Care Facilities Subsidy Program. This proposal will include an analysis of the financial impacts of the new design, as well as a transition plan. City staff will present a recommendation report to Council for approval in the fall of 2025 to support the implementation of the new funding model.

Alternatives

No Applicable

Relationship to Council Strategic Priorities

1. Safe & Thriving Neighbourhoods
 - 1.1. Increase the supply of affordable and supportive housing and reduce chronic homelessness.

Previous Reports Submitted

- [HSC19064](#) Residential Care Facilities Subsidy Program Review

Consultation

Not applicable

Appendices and Schedules Attached

Not Applicable

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