



## City of Hamilton Report for Consideration

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

**Date:** April 9, 2025

**Report No:** HSC24016(a)

**Subject/Title:** Asylum-Claimants Transitional Housing Proposal

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

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### Recommendations

- 1) That funding up to \$1,044,225 **BE APPROVED** to extend the provision of services and programs for refugee claimants and asylum seekers between June 1, 2025 to December 31, 2025 (7 months) to be funded first from eligible provincial or federal funding, then if necessary, any end of year program or department surplus and if required, corporate sources as approved by the General Manager Finance and Corporate Services subject to the Service Providers entering into a funding agreement with the City on such terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation:
  - a) That funding up to \$280,000 be provided to Good Shepherd Centres to extend the provision of a 10-bed women's transitional housing program for refugee claimants and asylum seekers between June 1, 2025, to December 31, 2025,
  - b) That funding up to \$642,250 be provided to Wesley Urban Ministries to extend the provision of 30 beds of a 75-bed transitional housing program for men, women, family, and couples between June 1, 2025, to December 31, 2025
  - c) That funding up to \$121,975 be provided to Refugee Newcomer Health to extend the partial operation costs of a Newcomer Referral and Coordination Hub serving all newcomer demographics between June 1, 2025, to December 31, 2025.

- 2) That funding up to \$5,258,703 **BE CONSIDERED** as part of the 2026 and 2027 Tax Budget processes to extend the provision of services and programs for refugee claimants and asylum seekers between January 1, 2026 to March 31, 2027 (15 months), in line with the timelines for potential Federal Interim Housing Assistance Program Funds to be funded first from eligible provincial or federal funding, subject to the Service Providers entering into a funding agreement with the City on such terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation:
  - a) That funding up to \$618,075 be provided to Good Shepherd Centres to extend t the provision of a 10-bed women’s transitional housing program for refugee claimants and asylum seekers between January 1, 2026, to March 31, 2027,
  - b) That funding up to \$3,810,778 be provided to Wesley Urban Ministries to extend t the provision of a 75-bed transitional housing program for men, women, family, and couples between January 1, 2026, to March 31, 2027,
  - c) That funding up to \$829,850 be provided to Refuge Newcomer Health to extend the operation of a Newcomer Referral and Coordination Hub serving all newcomer demographics between January 1, 2026, to March 31, 2027.
- 3) That staff **BE DIRECTED** following 2.5 years of operation to report on program success and make a recommendation on the continuation of services after March 2027.
- 4) In anticipation of potential funding from the Federal government, that staff **BE DIRECTED** to receive funding from Immigration, Refugee, and Citizenship Canada’s Interim Housing Assistance Program across 2025-26 and 2026-27 fiscal years to reimburse the municipality for funds expended to support refugee claimants and asylum seekers experiencing homelessness as well as operating and program costs associated with housing services aimed at reducing emergency shelter occupancy and ending encampments
- 5) That staff **BE DIRECTED** to continue to pursue full recovery from the Federal and Provincial governments for the costs associated with the City’s response for refugee claimants and asylum seekers and that any funds received for this purpose be applied to the Corporate Financials – Expenditures/Non-Program Dep.
- 6) That Clerks **BE DIRECTED** to remove the Outstanding Business List item from the April 4, 2024, GIC Report HSC24016 regarding reporting back on the asylum program after six months of operations, as this report satisfies that requirement.

## Key Facts

- Staff recommend continued funding for 85-bed transitional housing and housing focused case management programs in support of refugee claimants and asylum seekers experiencing homelessness.
- Council initially approved programming in June 2024 (HSC24016) and enhanced the programs after three months (HSC24027(b)) in response to community need and early promising performance indicators.
- After 6 months of operation, programs have exceeded initial targets, housing 54 individuals and 9 families, decreasing length of stay in transitional housing to 3 months or less, and lowered the prevalence of refugee claimants and asylum seekers in mainstream shelters creating room for people coming from encampments or other forms of homelessness.
- The City of Hamilton received \$5.2M under the Federal Immigration, Refugee, and Citizenship Canada (IRCC) Interim Housing Assistance Program (IHAP) in 2023 to reimburse the City for shelter costs associated with asylum and refugee claimants. The City has submitted \$3.95M for 2024 operations. The 2024 claim is still being processed; however, it does include the 2024 Asylum program.
- The City has submitted a proposal for a two-year allocation under the Interim Housing Assistance Program that would cover asylum claimants seeking shelter in our emergency response system, as well as in this transitional housing program. The recommendations within this report align with this federal funding cycle, ending in March 2027.

## Financial Considerations

Current Recommendation	2025 (Jun-Dec)	2026	2027 (Jan-Mar)
TOTAL	\$1,044,225	\$4,186,033	\$1,072,671

The current recommendation before Council is to approve funding for the original 40 beds and case management supports to the end of 2025 to be paid from eligible provincial or federal funding, then divisional or departmental surplus, and finally corporate sources. The annualized cost of 85 beds and case management supports for 2026, and 3 months of this program in 2027 will be referred to the 2026 Budget process for consideration. At the same time, the City has submitted a funding proposal to the Federal Interim Housing Assistance Program, which if approved, would reduce the costs of this program considerably. The recommendations do not seek funding beyond these federal timelines.

Detailed Costs

Costs by Program	2025 Jun-Dec (7 months)	2026 Jan-Dec (12 months)	2027 Jan-Mar (3 months)
Good Shepherd Bakhita House	\$280,000	\$492,000	\$126,075
Wesley Asylum Seeker Assistance Program	\$642,250	\$3,033,455	\$777,323
Refuge Newcomer Health Referral and Coordination Hun	\$121,975	\$660,578	\$169,273
<b>Total Costs</b>	<b>\$1,044,225</b>	<b>\$4,186,033</b>	<b>\$1,072,671</b>

Good Shepherd Bakhita House provides a 10-bed short term transitional housing program, Wesley Asylum Seeker Assistance Program provides a 75-bed short term transitional bed program with case management supports, and Refuge Newcomer Health Referral and Coordination Hub provides case management wrap around supports to those transitioning to the above programs, staying at Bakhita House, and support for clients post-housing for stability and community integration.

The financial benefit and implications of continued funding are highlighted in the “Analysis” section.

Historical Context:

Already Approved by Council	2024	2025
HSC24016 (June 2024 - May 2025)	\$1,043,667	\$746,100
HSC24027(b) (Oct 2024 - Dec 2025)	\$470,236	\$1,880,944
<b>TOTAL</b>	<b>\$1,513,903</b>	<b>\$2,627,044</b>

Report HSC24016 approved a budget from June 1, 2024, to May 31, 2025, for 40 beds and case management supports for asylum claimants. Report HSC24027(b) approved a budget for October 2024 through to December 2025 to enhance the asylum claimant programs for an additional 45 beds and case management supports.

Reimbursement from the Federal Government:

In 2023, the City submitted \$10 M in claims to the Federal Government Interim Housing Assistance Program to offset the costs of serving a growing number of refugee claimants and asylum seekers, and was reimbursed \$5.2 M. Reimbursement for 2024 has been delayed by the cyber incident, but has been recently submitted in the amount of \$3.95 M. An application for reimbursement for Jan-March 2025 is still pending release from the Federal Government.

In response to Municipal advocacy, the Federal Government has shifted to a proactive funding model and the City has already applied for the period of April 2025 – March 2027 in the amount of \$10.3 M for 24 months. In the application for funding for 2025-2026 the Federal Government was willing to cover up to 95% of the costs, and in 2026-2027 they were willing to fund up to 75% of the costs from the Municipality.

The City anticipates a response from the Interim Housing Assistance Program in March 2025 regarding reimbursement and funding going forward for 2025-2027 fiscal years. Staff also anticipate a January-March 2025 claim submission will also be possible; however, this has not been issued by the Federal Government at the time of writing.

Note that we have asked for funding from the Federal Government over and above the costs recommended in this report. If granted, this money would cover the costs of enhancements requested by the programs (see “Alternatives” section on Page 7) and reimbursements for costs spent in operating mainstream emergency shelters.

There are no anticipated staffing implications associated with Report HSC24016(a).

## **Background**

Since early 2023, municipalities across Canada have seen an influx in refugee and asylum-seeking households arriving in Canada, with many requiring immediate emergency shelter services and support finding housing.

On April 10, 2024, Council approved Report HSC24016 Asylum-Claimants Transitional Housing Proposal for 40 beds and 100 caseload spaces to alleviate occupancy pressures in the emergency shelter system and provide specialized supports to asylum seekers and refugees. Outcomes to date are very promising with 54 individuals and 9 families out of the 136 people who have booked into the transitional housing achieving stable housing within the first 6 months of operation (43%). Only 2 people left the program voluntarily, and no clients have reported to be discharged to homelessness.

The City has provided enhanced supports to the whole Homelessness Sector, including asylum seekers and refugee claimants experiencing homelessness. At the September 25, 2024, Council meeting, Council approved Report HSC24027(b), Reducing Homelessness and Managing Encampments, that supported additional spaces in the emergency shelter system, including an additional 45 beds for asylum seekers and refugee claimants. Wesley Asylum Seekers Assistance Program and Refugee Newcomer Health were ready to respond to the community call to expand the system immediately, and staff recommended this option to Council based on the success of their preliminary data.

To date, the Federal Ministry of Immigration, Refugees and Citizenship Canada’s Interim Housing Assistance Program has reimbursed the City of Hamilton for 50% of shelter costs incurred between October and December 2023 at \$5.2 M. The City has been delayed in submitting 2024 claims due to the cyber security incident but hopes for additional reimbursement for 2024 operations at 15% acknowledging the reduced reliance on the shelter system, as well as 100% of the transitional beds and case

management programs geared towards asylum claimants – a total of \$3.95M for January – December 2024.

Currently, the City has applied for the Federal Interim Housing Assistance Program for asylum claimant support in fiscal years 2025-2026 and 2026-2027, as the Federal Government has moved to a pro-active grant process, instead of a retroactive reimbursement model, in response to advocacy from municipalities.

As part of the original Council approval for this program (HSC24016), staff are required to report back with detailed analysis of the first six months of operation and make recommendations about continuation of services. At six months of operation, the program is successful in its intention to divert newcomers from mainstream shelter beds and into specific short-term housing supports for refugee and asylum seekers. Upon expansion of the program at the three-month mark, outcomes have improved. This report is to recommend extending the funding for the Asylum-Claimants Transitional Housing Programs from June 1, 2025, to March 31, 2027, to align with the timeline that the Federal Government has committed to funding these programs. Extending the program would allow for continued service delivery of this promising and nationally recognized approach. It also continues to provide asylum and refugee housing capacity during a time of uncertain international politics.

## **Analysis**

The short-term housing offered by Wesley and Good Shepherd have accommodated over 136 refugee claimants and asylum seekers since programs began in mid-June 2024. The cost to operate is similar to our existing emergency shelter services, however most clients have a length of stay that is 3 months or less which is shorter than many currently using the emergency system. The overall reach of the housing and case management programs is 152 individuals including family members.

The programs are integrated into our existing coordinated homelessness service delivery system and have been scaled up per the previous Council report HSC24027(b) Reducing Homelessness and Managing Encampments. The mainstream emergency shelter system has seen an 83% decrease in refugees, refugee claimants, and asylum seekers from a high of 36% of the shelter stayers in 2023 to 6% in December 2024.

Housing placements have been achieved by 54 individuals and 9 families to date, exceeding expectations of a 3-month turnaround within the first 6 months of program operation. One hundred and fifty-two people have received case management supports, and those asylum seekers and refugee claimants in shelter that do not qualify for a bed at one of the short-term emergency housing beds, or are on a waitlist, still receive referrals from the program to support their flow through the shelter system.

Staff are in close contact with program operators to launch the program, understand program roll-out, and collect program metrics. Staff connected with shelter operators about how this program has affected their operations. Many identified the capacity created within the shelter system by the asylum seekers programs as a “bright spot” and a “relief” to see clients move into more appropriate programs and eventual housing. Client satisfaction surveys show that 96% of respondents reported being satisfied

overall. When asked about their service needs and priorities and whether they were met, 84% of respondents said their needs were either met or exceeded.

These programs are on track to move almost 200 individuals in the first twelve months from shelter into private market housing and will reduce pressures on the men's, women's, and family shelter sectors. At full capacity (85 beds), it is anticipated that they will house 272 asylum claimants experiencing homelessness per year.

Hamilton's model has been recognized across the province. At the Ontario Intergovernmental Asylum Roundtable, it is reported that length of stay in short term housing at hotels in the GTA is more than 1 year. Other municipalities are increasingly interested in Hamilton's promising practice and efficient housing outcomes. The Federation of Canadian Municipalities has also inquired about our program to seek additional details and acknowledge our program successes that can be leveraged in other communities.

Based on this analysis, staff are recommending this program be extended. This program model has been working well for clients, program operators, and is diverting newcomers from standard shelter operations where there are less resettlement supports available, providing much needed spaces to other community members in shelter.

## **Alternatives**

As part of the application for funding to the Federal Interim Housing Assistance Program for 2025-2026 and 2026- 2027, the City has submitted enhanced program costs and capital costs that have been requested by the programs. The enhancements to staffing and program costs are approximately \$340,000 annually and are detailed as follows:

- House Manager (1.5 FTE), \$95,815
- Program Coordinator, \$84,413
- Program Costs, Flex Funds, \$112,000
- Rental Costs, \$48,000

Staff have not recommended these costs in this report because the asylum claimant programs are achieving good outcomes at current costs. Although it is reasonable to assume that these programs would continue to offer excellent value for investment, the population of asylum claimants in mainstream shelters is currently being managed by the existing investment and there are areas in the homeless serving sector that would be higher priority for investment at this time.

The City supports these enhanced costs in principle, that is why we have submitted them to the Federal Interim Housing Assistance Program for support, however, staff does not recommend that the City take on the financial costs for this enhancement.

Council may wish to fund these enhancements, for an annualized cost of \$340,000 and referred to the budget thereafter, between June 1<sup>st</sup>, 2025, and March 31, 2027.

## **Relationship to Council Strategic Priorities**

The recommendations strategically improve Council's 2022-2026 Priority 2.1, to "increase the support of affordable and supportive housing and reduce chronic homelessness". Recommendations in this report will contribute to reducing chronic homelessness by creating space in shelters for people exiting encampments and other forms of homelessness, it moves asylum claimants quickly through the experience of homelessness by providing specific wrap around supports to meet people's needs for housing and community integration, and it has proven to be an efficient investment in a sector that is chronically underfunded by Provincial and Federal Government.

## Previous Reports Submitted

- Asylum-Claimants Transitional Housing Proposal (HSC24016) (City Wide) April 3, 2024, General Issues Committee
  - [filestream.ashx](#)
- Reducing Homelessness and Managing Encampments (Report HSC24027(b)/FCS24028/PED24162) (City Wide) September 18, 2024, General Issues Committee
  - [filestream.ashx](#)

## Consultation

Heather Snyder, Business Administrator, Corporate Services

David Trevisani, Manager Finance and Administration, Corporate Services

Ontario Intergovernmental Asylum Roundtable

Clients served in the Asylum Claimant Transitional Housing programs

## Appendices and Schedules Attached

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