

Highlights of the 2024 Street Needs Assessment and advancing the City's Shelter Infrastructure Plan

Date: July 7, 2025

To: Economic and Community Development Committee

From: General Manager, Toronto Shelter and Support Services and Executive Director, Corporate Real Estate Management

Wards: All

SUMMARY

This report provides an overview of the results of the 2024 Street Needs Assessment and Toronto Shelter and Support Services' (TSSS) shelter infrastructure plan as part of the Council-approved [Homelessness Services Capital Infrastructure Strategy \(HSCIS\)](#). It also provides an update on other TSSS shelter development projects, including the Housing and Shelter Infrastructure Development project (HSID) and the George Street Revitalization (GSR) project.

In October 2024, TSSS conducted its sixth Street Needs Assessment (SNA), working collaboratively with community partners in the homelessness and allied sectors. This report provides key highlights of the main findings of the SNA, which directly inform HSCIS and TSSS's upcoming Five-Year Strategic Plan.

The report includes a summary of the City's progress in the development of new shelters under HSCIS, including an update on new shelter locations confirmed to date. In alignment with HSCIS, this report provides an update on the Council-approved COVID-19 Shelter and Transition Plan, outlining next steps to decommission large shelter programs.

This report also responds to City Council's direction in [EC13.8](#) to explore the use of micro shelters as a rapid shelter program model on vacant or under-utilized City-owned lands. In order to support securing a potential location with a viable operating model, the City will release an Expression of Interest (EOI) for a partner-led micro shelter pilot initiative.

RECOMMENDATIONS

The General Manager, Toronto Shelter and Support Services, and the Executive Director, Corporate Real Estate Management recommend that:

1. Economic and Community Development Committee receive this report for information.

FINANCIAL IMPACT

There are no financial implications arising from the adoption of the recommendation in this report.

The Homelessness Services Capital Infrastructure Strategy (HSCIS), approved by City Council, is estimated to cost \$674.5 million over the ten-year capital planning period (2024-2033), as reported through [EC7.7 Shelter Infrastructure Plan and the Homelessness Services Capital Infrastructure Strategy \(HSCIS\)](#). The funding will primarily support the development of permanent sites to replace approximately 1,280 beds in temporary hotel sites, as well as an additional 320 beds to accommodate growth specific sectors of the shelter system and support relocation.

Of the total cost estimate of \$674.5 million, project costs of \$258.1 million are included in the 10-Year Capital Budget and Plan for TSSS (\$89.5 million through [EX15.3](#) and \$168.6 million through [MPB27.1](#)). The 2025 Capital Budget and 2026-2034 Capital Plan includes a total of \$236.0 million in funding with cash flow of \$66.9 million in 2025 and \$169.1 million in future years, fully funded from the City Building Fund.

The remaining unfunded balance of \$416.4 million will be required for construction and acquisition of additional sites to advance the development of 20 new purpose-built, permanent, and long-term use shelters. This funding will be considered as part of the 2026 and future budget processes. In 2024, the City requested the federal government to provide financial support to fund the HSCIS. The Federal Government has not yet committed to funding the full project cost. The City will continue to negotiate for federal funding for the entire cost of this capital project.

Required funding for the Housing and Shelter Infrastructure Development (HSID) and the George Street Revitalization (GSR) is included in the 2025 Capital Budget and 2026-2034 Capital Plan for TSSS.

The planned closure of the hotel located at 2035 Kennedy Road, as directed by Council, is expected to be completed by the end of 2025. The 2025 Operating Budget for TSSS includes funding to operate this hotel and the closure is expected to net savings of \$6.7 million. Any cost-savings achieved will be included in the 2026 Operating Budget submission after considering if investment in additional sites is required.

The Chief Financial Officer and Treasurer has reviewed this report and agree with the information as presented in the Financial Impact Section.

EQUITY IMPACT STATEMENT

Toronto's shelter system serves a range of equity-deserving groups, including people experiencing chronic homelessness, seniors, low-income households, people with disabilities, Indigenous peoples, Black people, refugees and refugee claimants, 2SLGBTQ+ people, women, and youth. The Homelessness Services Capital Infrastructure Strategy supports the stability of Toronto's homelessness services system by expanding new permanent shelter beds that will support equity-deserving groups. Ensuring people experiencing homelessness have access to safe, high-quality emergency shelter is an important determinant of health and, supports vulnerable residents and their move into permanent housing as quickly as possible.

DECISION HISTORY

At its meeting on June 25, 2024, City Council adopted EX15.3 “Advancing the Homelessness Services Capital Infrastructure Strategy (HSCIS) and the 2025 Shelter Infrastructure Plan”, amending the 2024 Capital Budget and 2025 – 2033 Capital Plan to create a new capital project called the “Homelessness Services Capital Infrastructure Strategy”, and also launch a City-wide public engagement on the HSCIS.
<https://secure.toronto.ca/council/agenda-item.do?item=2024.EX15.3>

At its meeting on February 6, 2024, City Council adopted EC9.4 “Homelessness Services Capital Infrastructure Strategy: Real Estate Strategy and Lease Extensions”, granting authority to expedite the redevelopment of existing City-owned sites or acquiring new sites for permanent, purpose-built shelters. This includes securing at least five new shelter opportunities in 2024 and medium-term lease extensions at temporary shelters. <https://secure.toronto.ca/council/agenda-item.do?item=2024.EC9.4>

At its meeting on November 8, 2023, City Council adopted EC7.7 "Shelter Infrastructure Plan and the Homelessness Services Capital Infrastructure Strategy (HSCIS)", as the guiding Strategy for capital infrastructure spending decisions from 2024 - 2033 across the City of Toronto's shelter system. This plan includes transitioning the shelter system towards increased permanency and expanding shelter capacity to respond to sector specific needs. <https://secure.toronto.ca/council/agenda-item.do?item=2023.EC7.7>

At its meeting on February 7, 2023, City Council adopted EC1.5 “COVID-19 Shelter Transition and Relocation Plan Update 2023,” granting authorities required for lease/licence extensions at temporary shelter sites and services through April 30, 2024, and amend various existing non-competitive blanket contracts/purchase orders established to support the COVID-19 response. <https://secure.toronto.ca/council/agenda-item.do?item=2023.EC1.5>

At its meeting on April 6, 2022, City Council adopted EC28.9 "COVID-19 Shelter Transition and Relocation Plan Update," which granted authorities required for lease/licence extensions at temporary shelter sites and services through until April 30, 2023. <https://secure.toronto.ca/council/agenda-item.do?item=2022.EC28.9>

At its meeting on November 9, 2021, City Council adopted EC25.6 "2022 Shelter Infrastructure Plan, Community Engagement Review and Amendments to Contracts and Purchase Orders to Support Shelter Services," approving the plan which included the development of a Capital Infrastructure Strategy for the City's shelter system, and an improved community engagement process. Authority was also granted to amend various existing non-competitive blanket contracts/purchase orders established to support the COVID-19 response, as well as to open and operate shelters and to take appropriate measures to provide adequate shelter capacity in response to unanticipated demands on the system. <https://secure.toronto.ca/council/agenda-item.do?item=2021.EC25.6>

At its meeting on December 17, 2019, City Council adopted PH11.5 "HousingTO 2020-2030 Action Plan" as the framework to address Toronto's housing and homelessness challenges by 2030. This Plan includes a number of actions and targets to address critical needs across the housing spectrum including emergency shelters and supportive housing, social and supportive housing, market and affordable rental housing and home ownership. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PH11.5>

At its meeting on December 5, 2017, City Council adopted CD24.7 "2018 Shelter Infrastructure Plan and Progress Report." Council approved the 2018 Shelter Infrastructure Plan and a new property development approach to siting shelters, and authorized the Deputy City Manager, Cluster A, to approve specific sites for shelters, provided certain criteria are met. The report also provided information on the development of a New Shelter Service Model. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD24.7>

At its meeting of April 26, 27 and 28, 2017, City Council adopted CD19.6 "Proposed New Engagement and Planning Process for Emergency Shelters," which provided recommendations to improve the community engagement process for opening new emergency shelters. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD19.6>

COMMENTS

2024 Street Needs Assessment Key Highlights

In October 2024, TSSS conducted its sixth Street Needs Assessment (SNA), a federally mandated count and point-in-time survey of people experiencing homelessness in Toronto, in collaboration with community partners. The [results](#) will guide evidence-based service decisions and inform TSSS's upcoming 5-Year Strategic Plan.

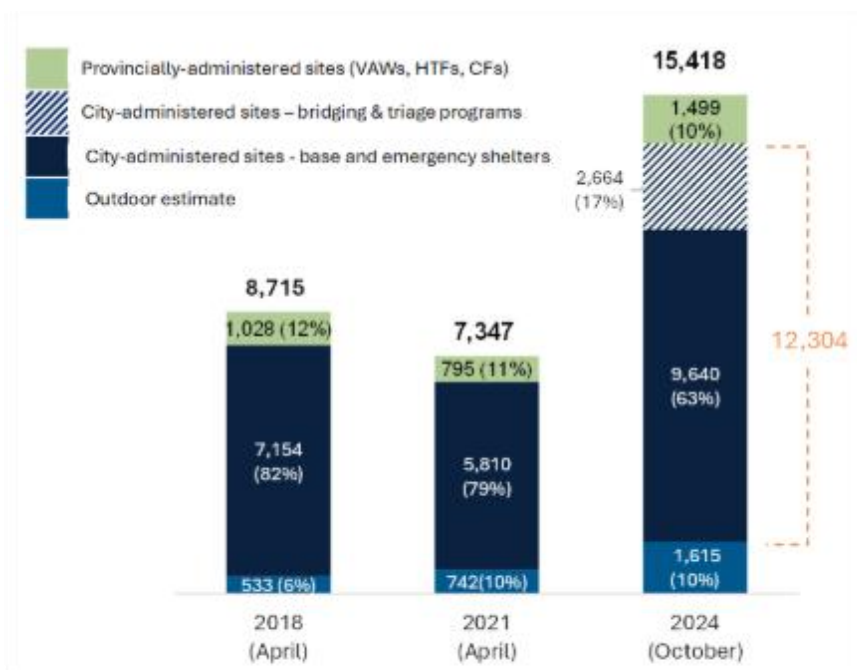
TSSS surveyed 3,682 people experiencing homelessness staying outdoors, in encampments, in City-administered shelters and in provincially administered Violence Against Women shelters, health and treatment facilities, and correctional facilities.

On the night of the SNA, shelter system pressures were high, with the City accommodating 12,304 people inside and outside of the shelter system, including 6,350 refugees. These pressures were compounded by a delay in the City's allocation of the

Canada-Ontario Housing Benefit (COHB) between April and October 2024. Based on the SNA, there were 1,615 people staying outdoors (including in encampments) and 1,499 staying in provincially administered institutions. In total, an estimated 15,418 people were experiencing homelessness in Toronto on October 23, 2024 (Figure 1).

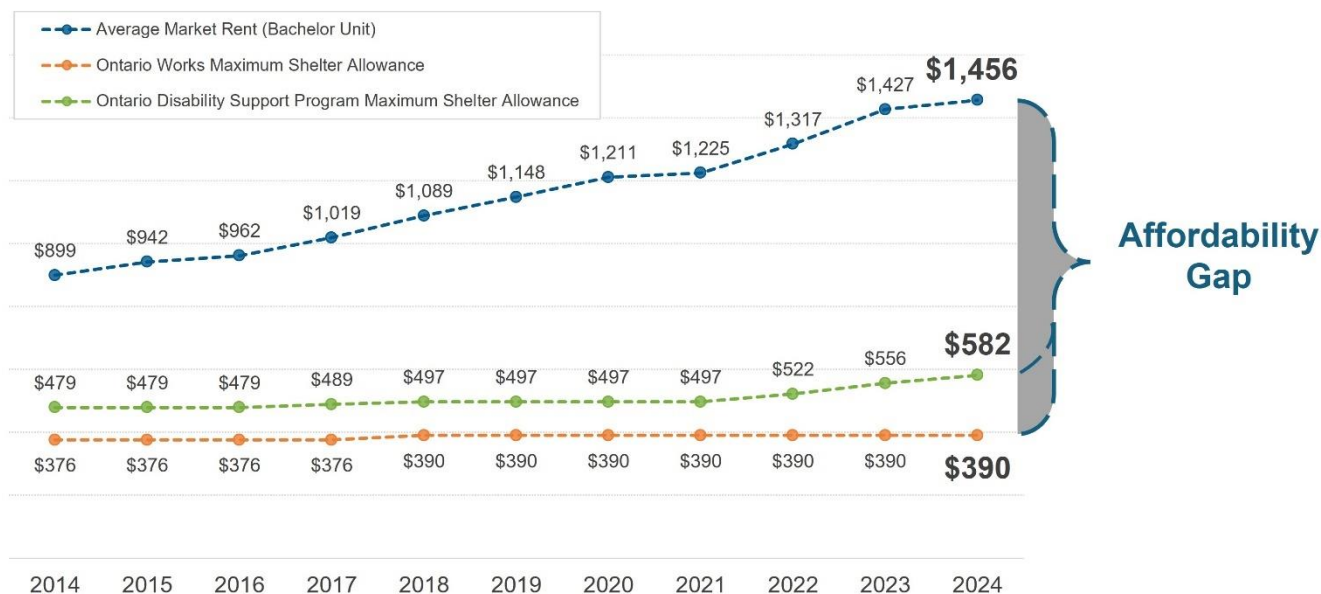
These data highlight the failure of multiple systems, such as affordable housing, health care, mental health, income support, and the justice system. People are left with nowhere to turn, and the shelter system or staying outdoors become the last resort.

Figure 1: Total Estimated Homelessness in Toronto by Sector, Street Needs Assessment Count, 2018, 2021, 2024



The SNA highlights that homelessness is driven by a lack of affordable housing and unmet health needs. While the average monthly rent for a bachelor unit in Toronto has risen by 62% over the past decade, the Ontario Works shelter allowance has increased by only 4% (Figure 2).

Figure 2: Ontario Works (OW) and Ontario Disability Support Payment (ODSP) Maximum Shelter Allowance (one person) and Average Market Rent (Bachelor Unit), Toronto, 2014-2024



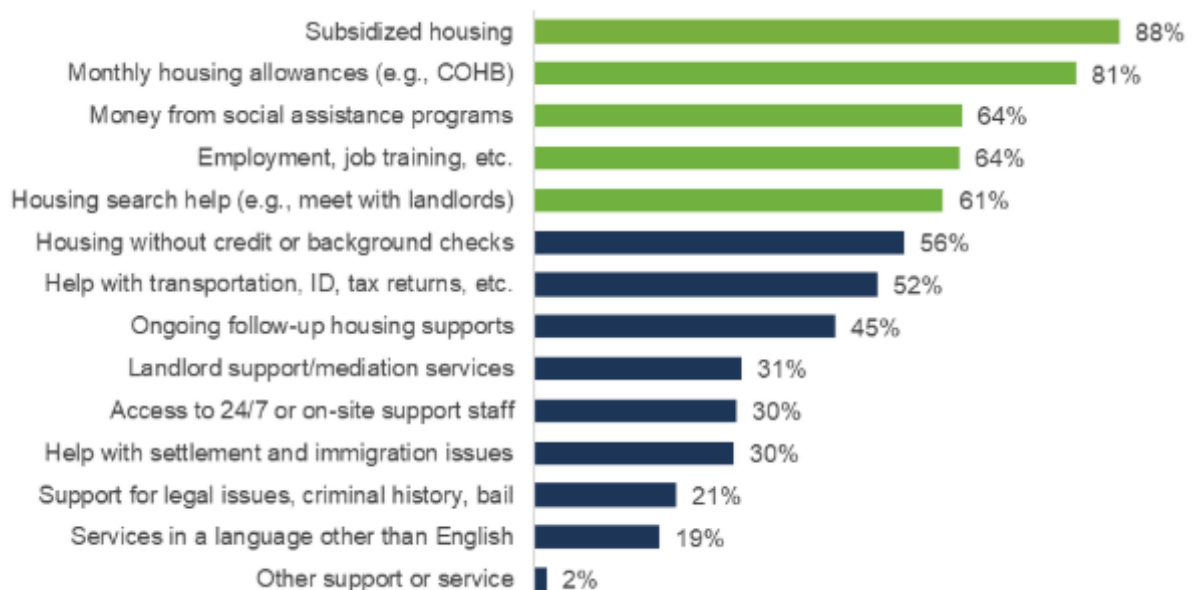
Consistent with previous SNAs, the leading cause of homelessness was not enough income for housing. Furthermore, 22% of all respondents identified eviction as the reason for their most recent housing loss. Almost two-thirds of respondents reported multiple health challenges, with mental health and substance use being the top co-occurring challenge.

Specific groups such as Indigenous people, racialized groups, Black communities, 2SLGBTQ+ communities continue to be overrepresented among those experiencing homelessness, requiring targeted investments, specialized shelters, and supports.

Finally, there continues to be a need for a coordinated multi-sectoral and intergovernmental approach across different service systems to address homelessness – exiting homelessness has become almost impossible without financial supports contributing to longer shelter stays.

Most of the survey respondents identified supports that would increase housing affordability and income as essential to end their homelessness (Figure 3). More than 80% of respondents indicated that rent-geared-to-income housing and/or a monthly housing allowance, such as the COHB, would help them exit homelessness. Other supports cited by more than 60% of respondents included increased social assistance rates, employment or job training, and housing search assistance.

Figure 3: Supports Needed to Help End Homelessness by Respondents, 2024 Street Needs Assessment Survey



Current Shelter System Capacity and Infrastructure Pressures

The 2024 SNA findings highlight the complex and intersecting factors driving the homelessness crisis, including insufficient affordable and supportive housing supply, unmet health care needs, increased costs of living, inadequate wage and income supports, and limited response coordination at the provincial and national level to support the continued new arrivals of refugee claimants seeking shelter. Without addressing these systemic factors, demand for shelter is projected to continue in 2025 and beyond.

On June 3, 2025, the City accommodated 9,644 individuals. This includes 9,089 people in the shelter system, as well as 555 people who are in Emergency Family Shelter Support (formerly, Bridging and Triage programs) for families awaiting a space in the shelter system. Included in these numbers are 3,932 refugee claimants, including 2,673 in refugee specific programs. In May 2025, an average of 149 callers to Central Intake were unable to be matched to a shelter space each day.

The City continues to work with people living in encampments through its Council-approved [Enhanced Outreach Model](#) to connect people to services, shelter and housing opportunities. In 2024, 1,078 people staying outdoors were referred into the shelter system and 302 people staying outdoors were housed by Streets to Homes and its outreach partner agencies.

The City continues to respond to the high number of refugee claimants in the shelter system. As of May 26, 2025, 4,799 refugee claimants have been transferred to refugee programs administered by Immigration, Refugees and Citizenship Canada (IRCC) located in other cities, which has alleviated some pressure on the shelter system.

The City is also referring refugee claimants, who are calling the shelter system's Central Intake call centre, to the Peel Reception Centre which is now open and receiving referrals of refugee claimants. Through intentional investments in sustainable solutions, including refugee houses and small-scale shelters, 210 new shelter spaces have recently been created in partnership with refugee-serving organizations. Work is ongoing to develop a refugee service system and complementary strategies to respond to the unique needs of refugee claimants, including specialized accommodations and support services, diversion programs, and strategic partnerships that aim to develop community capacity and influence progress on creation of a coordinated national refugee response system.

Though housing availability does not meet current demand, the City continues to work to connect people experiencing homelessness with permanent housing opportunities. In 2024, the City assisted 4,344 individuals to move to permanent housing through several programs, including with the support of the COHB.

Update on Homelessness Services Capital Infrastructure Strategy (HSCIS)

In November 2023, City Council adopted [EC7.7 Shelter Infrastructure Plan and the Homelessness Services Capital Infrastructure Strategy](#) approving the Homelessness Services Capital Infrastructure Strategy (HSCIS). The strategy recommends a long-term, proactive approach for shelter capital investment to improve the stability and recovery of the shelter system, reduce operating costs, and address the unprecedented demand for shelter beds. While housing continues to remain the solution to homelessness, there is a need to ensure there are emergency shelter spaces available for when individuals are in a housing crisis.

The HSCIS includes a plan to increase the total number of new long-term and permanent spaces in the base shelter system by approximately 1,600 across up to 20 sites between 2024 and 2033. This plan focuses on developing purpose-built shelters, increasing permanency across the shelter system, and a gradual transition out of temporary shelter hotels. This includes 16 new sites to replace approximately 1,280 temporary hotel spaces; three (3) new expansion sites that will allocate 240 spaces to respond to sector specific needs in the system; and one (1) site with 80 spaces identified that will serve as necessary swing space to facilitate relocation required as part state of good repair projects.

New sites opening as part of HSCIS will have approximately 80 beds, with some being smaller based on program needs. Youth programs will be smaller and have approximately 50 beds and family sites may be larger but will not exceed 100 family units.

The closure of shelter hotels and associated reduction in costs is dependent on the efficient and successful delivery of new purpose-built shelters under the HSCIS program. Based on operating costs in 2025, every month one of the new 80 bed shelters is delayed will cost the City \$280,000 in forgone operating cost efficiencies. Over a ten-year period, the cost savings realized by the HSCIS program are \$33.6M, when compared to shelter hotels.

In addition to the cost difference, purpose-built shelters can be developed to be more accessible, safer and more responsive to the diverse needs of shelter clients, staff and the surrounding communities, and can be converted to supportive housing once demand for shelter has stabilized.

HSCIS Secured Sites and Forecast of Sites

Six new shelters were announced in December 2024 as part of HSCIS after an extensive search of more than 100 properties across the City. All six sites met the size, budget and zoning requirements needed to be a municipal shelter. The sites will be thoughtfully designed to meet the needs of Toronto's diverse homeless population while being integrated into the surrounding community. The City has started a community engagement process to support and integrate the new shelter services into the neighbourhood. TSSS, in collaboration with Corporate Real Estate Management (CREM) and CreateTO, is reviewing additional properties to secure new permanent shelter sites and advance Council-approved HSCIS targets. The seventh HSCIS site was announced in June 2025.

These acquisitions support the transition away from temporary hotel sites and are intended to serve priority client groups based on the City's Street Needs Assessment data and sector needs. Sites are being identified through a combination of public and private real estate pathways, including surplus City-owned and other publicly held lands, properties suitable for conversion, and locations with access to transit. Site searches also include collaboration with other levels of government and public institutions, such as school boards, to explore opportunities for co-location and shared use of public assets, as directed by Council.

TSSS is committed to ensuring that 20%, or approximately four (4) sites developed through the HSCIS will be led by Indigenous organizations. TSSS worked closely with the Toronto Indigenous Community Advisory Board (TICAB) to co-develop a process for Indigenous operator selection for new HSCIS Indigenous shelters. Based on this process, TSSS, in consultation with CREM, is supporting opportunities for Indigenous ownership for the new Indigenous shelters by exploring transfers of site ownership to Indigenous shelter operators.

TSSS and CREM will work towards these transfers as construction on the new Indigenous sites are completed. The transfer of lands for Indigenous shelters aligns with the [City of Toronto Reconciliation Action Plan 2022 – 2032 \(RAP\)](#), and [Meeting in the Middle Engagement Strategy and Action Plan](#).

The secured HSCIS shelter sites for 2024 and 2025, and projected sites until 2033 are set out in Attachment 1, Table 1 and Table 2 of the report. Timelines are subject to variables such as acquisition method (purchase, lease, or City-owned), planning approvals, funding availability and construction approach.

Update on Other Shelter Developments

The City is working on other non-HSCIS shelter projects to support capacity and demand pressures.

Table 1 in Attachment 2 summarizes the upcoming new shelter sites within the George Street Revitalization (GSR) and Housing and Shelter Infrastructure Development (HSID) projects.

Housing and Shelter Infrastructure Development (HSID)

In 2018, in response to increased demand for shelter services, City Council directed TSSS through [EX31.2](#) to expand the number of permanent new shelter beds in Toronto (Housing and Shelter Infrastructure Development (HSID) Project). Through HSID, seven new shelter sites with 680 beds have opened since 2018. There is still one 24/7 Women's Drop-In program relocation site, and one Indigenous men's shelter with 75 shelter beds in development. Additionally, one planned shelter site through HSID was transitioned into a 33-room supportive housing project.

George Street Revitalization (GSR) Project

The GSR project seeks to redevelop the current Seaton House men's shelter program and ensure individuals experiencing homelessness have programming and services that support their needs. As part of the GSR transition plan, the City is relocating existing shelter residents within Seaton House programs to new shelter sites. To date, four shelter programs have opened as part of the GSR project and Seaton House Transition Plan. These programs have transitioned clients to sites across the city, including newly developed sites like Junction Place (731 Runnymede Road), Scarborough Village Residence (3306 Kingston Road), 76 Church Street, and 705 Progress Ave. Construction is underway for the fifth and final shelter program located at 2299 Dundas Street West and is expected to open in 2026 with a capacity of approximately 80 shelter spaces.

In addition to relocating shelter programs, several housing partnerships have been developed as part of the commitment of the GSR project to assist housing clients from Seaton House. These partnerships include providers such as Habitat Services, Canadian Mental Health Association (Toronto Branch), West Toronto Community Health Services, Fife House, Maddison Community Services, St. Michael's Homes, and St. Clare's Multi-Faith Housing Society and have provided 147 housing units which have been accessed by clients from Seaton House.

The Dixon Hall Schoolhouse is also planned to close as part of the redevelopment plan for Seaton House. TSSS is working with Dixon Hall and the Housing Secretariat to transfer Dixon Hall clients to housing units that are part of the Dixon Hall Rooming House Project. The Dixon Hall Schoolhouse program is planned to close by Q3 2025. Planning for the new GSR facility is currently underway across City divisions. The award of design services will support the next phase of project development, with construction anticipated to begin in late 2026.

Progress on COVID-19 Shelter Transition and Relocation Plan

The [COVID-19 Shelter Transition and Relocation Plan \(CTR Plan\)](#) was approved by City Council on April 6, 2022, recommending a phased approach to support a gradual transition out of temporary shelter sites.

City Council approved phase four of the CTR Plan in June 2024 via [EX15.3](#), to integrate the CTR Plan more fully with the HSCIS and transition from an emergency focused response to a long-term, proactive approach to capital planning for Toronto's shelter system. As the City continues toward recovery and stabilization, the plan focuses on moving people experiencing homelessness into purpose-built buildings that can adequately meet their diverse needs, allow for enhanced operations and safety, and provide more financial sustainability. Funding for HSCIS is critical to ensuring that the City can support the transition out of temporary hotel shelter sites.

The COVID-19 Transition Plan aims to move residents from temporary sites into permanent housing wherever possible and offset changes to shelter system capacity. The new HSCIS sites will support the closures of the remaining 17 of the initial 29 temporary sites used for physical distancing during the COVID-19 pandemic. Developing each new, permanent HSCIS shelter site will take between two to five years from acquisition through to design and construction.

In 2024, CREM and TSSS jointly stabilized the CTR Portfolio for the interim by executing medium-term extensions to existing agreements with temporary shelter site owners, per the direction of City Council in [EC9.4](#). These medium-term extensions resulted in both financial and operational benefits to TSSS, when compared to the historic annual extensions that were used to sustain the CTR Portfolio.

TSSS is developing a plan to align the decommissioning of sites in the CTR Portfolio with the new sites developed through the HSCIS and other confirmed supportive and affordable housing opportunities over the course lease term and up to 2033, where possible.

Large Program Closures

On February 2024, City Council [directed](#) TSSS to implement plans and report back with an outline for de-commissioning temporary shelter hotel locations with the largest (more than 200) single adult and chronically homeless populations. This represented four (4) temporary hotel programs: 2035 Kennedy Road, 2180 Islington Avenue, 1677 Wilson Avenue, and 185 Yorkland Boulevard.

Table 1: CTR shelter sites with approximately 200 or more single adult and/or chronically homeless populations in June 2025

Site Address	Number of Residents ¹	Percentage of Residents Experiencing Chronic Homelessness ¹
2035 Kennedy Road	82	100% (82/82)
2180 Islington Avenue	187*	71% (133/187)
1677 Wilson Avenue	209	68% (142/209)
185 Yorkland Boulevard	291	82% (239/291)

Note¹: Based on June 13, 2025 occupancy. *: Site occupancy fluctuates above 200 based on demand for isolation spaces.

2035 Kennedy Road will complete its closure in 2025, and the next planned closure will be 2180 Islington Avenue. Due to the lease terms, room reductions are planned begin in 2027, and the full closure will be completed prior to December 31, 2027, contingent on the continued progress of the development and opening of HSCIS sites. Decisions about when and how the remaining large single adult population sites will close will be based on the timelines for new HSCIS sites, on continued suitability of the site to operate as a shelter, the willingness of the property owner to continue existing lease arrangements, and existing lease terms. The City is committed to sharing details of these site closure plans prior to the closure of each site and providing as much notice as possible to site residents, staff, and the public, where possible. Attachment 3, Table 1 provides an update on the 2035 Kennedy Road closure and outcomes of clients.

Remaining Temporary Sites

Following the closure of the large hotel sites, TSSS will determine the sequence to decommission the remaining temporary hotel sites, by applying similar criteria that was used to determine the sequence for the large hotel sites. Many of the remaining temporary sites will be closed as additional permanent HSCIS sites are planned to open between 2029 and 2033.

Micro Shelters – Feasibility in Toronto

In June 2024, City Council [directed](#) the General Manager, Toronto Shelter and Support Services to prioritize the development of immediate rapid shelter program models through the HSCIS, specifically to meet the needs of individuals living in encampments, including exploring the use of micro shelters.

Micro shelters – also known as tiny shelters, sleeping cabins, or pallet shelters – are being considered to address growing unsheltered homelessness and encampments across Canada. This model is primarily for individuals who are less likely to access the shelter system, and act as a temporary solution until permanent affordable or supportive housing is available.

Micro shelters are small, prefabricated units that typically include insulation, electricity, heating, and cooling, but no plumbing. Though not considered housing, they offer temporary accommodation. Micro shelters are modular units built to standardized dimensions, allowing them to be assembled efficiently and using fewer resources than traditional shelters. This allows for flexibility in site design and the potential to relocate as needed. They should be paired with existing or modular infrastructure to provide access to essential facilities such as washrooms, showers, and kitchens.

From a service delivery standpoint, micro shelters may be particularly effective for individuals who are less likely to access the shelter system – such as those living in encampments – by providing more consistent access to mental health services, case

management and continuity of care. These programs may be operated by government bodies or contracted providers. Having dedicated housing options is essential for helping people to transition from micro shelters into either shelter or permanent housing, which is key to the overall success of these programs.

Jurisdictional Review

Micro shelter programs across Canada have experienced mixed results, and there has been limited success specifically in major or densely populated municipalities. Some programs have successfully helped residents transition into permanent housing, particularly when adequate housing supply is available. However, others have encountered significant operational, funding, safety, and transitional challenges, suggesting that program success depends heavily on careful implementation, strong community engagement, robust support services, and clearly defined housing pathways. Without these critical elements, micro shelters risk functioning as temporary stopgaps rather than as meaningful steps towards housing stability. Attachment 4 provides more information on other municipal micro-shelter programs

Assessment of Micro Shelter Feasibility in Toronto

In response to Council direction, TSSS, in consultation with CREM, City Planning, Toronto Building, and Toronto Fire Services, assessed the feasibility of micro shelters as a rapid shelter program model. The analysis considered site requirements, planning considerations, design and program model. A cost-benefit comparison between micro shelters and traditional emergency shelters was also conducted.

Micro shelter programs typically use large vacant lots, generally one acre of land per 50 micro shelter units. CreateTO conducted a detailed feasibility analysis of micro shelters on City-owned land identified as part of HSCIS implementation. Findings demonstrate that the largest City-owned lots allocated to date for shelter use can only accommodate 20 micro shelter units, while a purpose-built shelter could provide approximately 80 spaces. Larger City-owned lots in Toronto have already been identified for permanent, supportive or affordable housing use. Using these sites for a micro shelter pilot program could interfere with pre-construction activity and delay the housing build's progress. Program cost variance is dependent on the size of the micro shelter community, amenities, design, and program needs.

Staff have conducted a more than year-long search and have assessed a total of 44 City-owned sites for their potential suitability for shelter use. During the assessment no City-owned parcel of land was found to satisfy all the necessary criteria in terms of size, location to make a viable micro shelter program that did not already have an alternate higher density use identified.

Given the current lack of a suitable parcel of land and the potential to displace or delay more impactful purpose-built shelter or housing projects, staff do not recommend proceeding with a City-led micro shelter program on City-owned land. To support further exploration and assessment of the potential for micro-shelters to contribute to the range of space options for people experiencing homelessness, the City will be releasing an Expression of Interest (EOI) for a partner-led micro shelter pilot initiative.

The EOI will invite proponents to provide a proposal that includes land and location options on which to deliver the pilot, as well as propose and operate a comprehensive service and support model that considers eligibility criteria and a plan to transition clients to housing. Further, the potential successful proponent would support Toronto Shelter & Support Services with pilot project data and information to evaluate the service model and overall effectiveness of the micro shelter pilot. Staff will report back to Committee if there is a viable opportunity identified through the EOI.

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SIGNATURE

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ATTACHMENTS

Attachment 1 - 2026 Shelter Infrastructure Plan for the Homelessness Services Capital Infrastructure Strategy (HSCIS)

Attachment 2 - 2026 Shelter Infrastructure Plan for the Housing and Shelter Infrastructure Development (HSID), Shelter Relocation Sites and George Street Revitalization (GSR) Projects

Attachment 3 - 2035 Kennedy Road Closure

Attachment 4 - Jurisdictional Scan of Micro Shelter Programs

Attachment 1: 2026 Shelter Infrastructure Plan for the Homelessness Services Capital Infrastructure Strategy (HSCIS)

Table 1 highlights the secured shelter site locations in 2024 and 2025, including sector, site type, projected site opening, approximate number of shelter beds, operator, and price, if applicable.

Table 1: Secured HSCIS Shelter Sites, 2024

Site	Sector	Site Type	Projected Opening Year	Approximate Beds	Operator	Purchase Price	Site Secured
2535 Gerrard St.	Mixed Adult	Purchase	2027	80 beds	Warden Woods Community Centre	\$6.9 million	2024
1615 Dufferin St.	Youth	Purchase	2027	50 beds	Covenant House	\$9.1 million	2024
2204-2212 Eglinton Ave. W.	Mixed Adult	City Lands – Surplus TPA Property	2028-2030	80 beds	Fred Victor	n/a	2024
68 Sheppard Ave. W.	Indigenous women	City Lands – Surplus TPA Property	2028-2030	80 beds	Native Women's Resource Centre	n/a	2024
1220 Wilson Ave.	Mixed Adult – Illness Recovery	City Lands – Surplus TPA Property	2028-2030	80 beds	City Operated	n/a	2024
66 Third St.	Seniors	City Lands – Surplus TPA Property	2028-2030	50 beds	Christie Ossington Neighbourhood Centre	n/a	2024
3838 Bloor St. W.	Single Adults - Women	Purchase	2029	65 beds	Selection in progress	\$5.35 million	2025
Total Approximate Beds In Development				485 beds			

Table 2: Forecast of HSCIS Sites Secured and Openings by Year, 2025 – 2033

Site	Anticipated Date Secured	Projected Opening Date
HSCIS Site #8	2025	2026
HSCIS Site #9	2025	2029
HSCIS Site #10	2025	2029
HSCIS Site #11	2025	2029
HSCIS Site #12	2026	2029
HSCIS Site #13	2026	2030
HSCIS Site #14	2026	2030
HSCIS Site #15	2026	2030
HSCIS Site #16	2026	2031
HSCIS Site #17	2027	2031
HSCIS Site #18	2027	2031
HSCIS Site #19	2027	2032
HSCIS Site #20	2027	2033

Attachment 2: 2026 Shelter Infrastructure Plan for the Housing and Shelter Infrastructure Development (HSID), Shelter Relocation sites and George Street Revitalization (GSR) Projects

Table 1 provides an update on upcoming sites and number of beds included in the Housing and Shelter Infrastructure Development (HSID) and George Street Revitalization (GSR) projects between 2025 and 2027. There is also one service relocation as part of the HSID project at 233 Carlton Street. There are also three third-party operator led shelter development projects at 629 Adelaide Street West, 21 Windsor and 723 Queen St West.

Table 1: Update on Relocation, HSID and GSR Projects, Leased and City Owned by Address, 2025 –2027

Opening Year	Address	Project	Beds	Program	Type of Ownership
2025	629 Adelaide St. E.	Relocation	50	All Gender	Leased
2025	233 Carlton St.	HSID	21*	Women's 24/7 Drop In	Leased
2026	2299 Dundas St. W.	GSR	80	Men	City Owned
2027	67 Adelaide St. E.	HSID	75	Indigenous Men	City Owned
2027	21 Windsor St	Relocation	104	Women	Leased
2027	723 Queen St. W.	Redevelopment	63	Women	Operator Owned

Note:* This is reflective of overnight spaces.

Attachment 3: 2035 Kennedy Road Closure

In February 2024, City Council directed TSSS via [EC9.4](#) to prioritize the decommissioning of 2035 Kennedy Road. In response, TSSS developed a closure plan to gradually decommission the shelter site and return the facility to the landlord by December 31, 2025.

As part of this plan, TSSS stopped all new client intakes for the site on October 28, 2024, with 369 residents remaining on site at that time. Since then, TSSS and the site operator, Homes First Society (HFS), have worked together on a floor-by-floor closure for the site. As of June 16, 2025, 82 residents remain on-site, with 287 having been supported to move from the site. While housing outcomes remain the priority for this closure, the lack of available affordable housing and income supports has resulted in most residents being referred to alternative shelter spaces in the base shelter system. Table 1 outlines the various outcomes for clients at 2035 Kennedy Road.

Table 1: Outcomes related to clients at 2035 Kennedy Road as of June 16, 2025

Site Address	Housing	Shelter Referral	Unknown Location	Health or Correctional Facility	Deceased	Other Known Location (e.g. left Toronto)
2035 Kennedy Rd.	31%	56%	7%	4%	1%	1%

As part of this closure, TSSS and HFS have offered a broad range of supports to residents in preparation for their moves, including providing regular and timely updates to residents and the surrounding community about the status of the closure, offering regular housing clinics (more than 100 offered since February 2024), supporting residents to access housing opportunities, providing warm referrals to other shelters, making internal relocations within 2035 Kennedy and HFS's other shelter sites, and providing additional supports to find appropriate referrals and supports based on each client's unique needs (e.g., accessibility, health, couples, pets).

Attachment 4: Jurisdictional Scan of Micro Shelter Programs

In early 2023, the Region of Waterloo opened a 50-unit tiny shelter community - The Erb's Road Hybrid Emergency Shelter (ERHES). The units offer electricity, heating, air conditioning, 24/7 staffing, and on-site support services. As of September 2024, 18% of individuals had transitioned into permanent housing.

In British Columbia, the Province has launched similar models in Kelowna, Victoria, and Duncan with some success. Kelowna's 60-cabin shelter, operated by the Canadian Mental Health Association, supported 18 individuals in securing permanent housing within its first two years. In Victoria, approximately 50% of residents moved into stable housing. Duncan reported reduced calls for service in the area and increased access to basic health care and addiction treatment. These outcomes were facilitated by strong case management and service provision highlighting the potential for success of micro shelters when paired with comprehensive supports.

In Hamilton, Ontario, a new municipal micro shelter program was opened consisting of 40 micro shelters providing as many as 80 beds, including single- and double-occupancy units, to serve individuals people living in encampments especially couples and those with pets and those who have been service restricted. The program experienced delays due to retrofit requirements, on-site environment mitigation, and compliance-related issues, resulting in \$5 million in cost overruns. Nova Scotia's provincial program also faced implementation setbacks. Although 200 units were purchased quickly, only 80 were installed by the target date, with the remainder installed nearly a year later due to challenges in finding appropriate sites, site preparation, and addressing community concerns.

In Peterborough, Ontario, a two-year pilot program was launched with 50 modular shelters which included a fee-based model for residents who pay their Ontario Works or Ontario Disability Support Program shelter allowance, a rent that's geared to their income, or a portion of their employment income. As of September 2024, one person had transitioned into permanent housing and ten others were considered ready to move into housing. The program's continuation is contingent on additional provincial and capital funding. The initiative has faced challenges, including several evictions, five of which were due to violent incidents.

Other municipalities, such as Barrie, Collingwood, Wasaga Beach, and Chatham-Kent, have implemented similar cost-recovery models that pair micro shelter access with varying levels of support services. While these models aim to reduce the financial burden on municipalities, they can introduce barriers for people without stable income, identification, untreated mental health and addictions issues, many of whom may already be less likely to access the shelter system.

Some municipalities have paused or discontinued their micro shelter programs altogether. For example, Kingston is winding down its program after three years, citing funding constraints and shifting priorities. Only 5 of the 35 residents transitioned into permanent housing during the operation of the program. Guelph and Lambton County (Sarnia) have also paused their micro shelter programs due to challenges related to site selection, logistics, and limited integration with other services.