



STAFF REPORT ACTION REQUIRED

2014 Funding Allocations for Shelter and Related Services

Date:	March 4, 2014
To:	Community Development and Recreation Committee
From:	General Manager, Shelter, Support and Housing Administration
Wards:	All
Reference Number:	

SUMMARY

There are 48 shelter sites operated by 30 community not-for-profit agencies funded through purchase of service contracts with the City. The largest community not-for-profit providers of shelter services are the Salvation Army, Homes First Society and the YWCA. All programs must meet the operating requirements as set out in both the Toronto Shelter Standards and the purchase of service contracts and all programs are evaluated using a Quality Assurance review process. In addition, the City has the ability to provide emergency shelter to families, couples and individuals through the use of motel beds.

This report provides recommendations on the 2014 funding allocations for the purchase of service (POS) shelter system and funding levels for other related operating contracts. It also seeks approval for the establishment of a new permanent 40 bed short stay transitional housing program for women to support lowering occupancy levels in the women's sector.

There are no financial impacts associated with this report beyond those included in the 2014 Approved Operating Budget for Shelter, Support and Housing Administration, as funding for all of these activities has already been approved by Council through the 2014 budget process.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration, recommends that:

1. City Council approve the recommended bed capacities and maximum contract values, as set out in Appendix A, which are in accordance with the service levels that are included in the 2014 approved Operating Budget for Shelter, Support and Housing Administration; and
2. City Council authorize the General Manager, Shelter, Support and Housing Administration, and/or his designate to:
 - a) enter into purchase of service agreements with community agencies for the provision of shelter services up to the maximum contract values as outlined in Appendix A;
 - b) enter into a purchase of service agreement with Fred Victor Centre for the establishment of a new permanent 40 bed short term transitional housing program for women in Ward 28;
 - c) issue payments of up to \$0.845 million gross and \$0 net to motel operators as required for temporary emergency accommodation for families, couples and individuals , included in funding allocations in Appendix B;
 - d) enter into agreements with the Ministry of Health and Long Term Care and Mental Health Program Services of Metropolitan Toronto (Habitat Services) and issue payments up to \$10.073 million gross and \$1.885 million net for the provision of housing and supports for psychiatric consumer survivors living in Habitat contracted boarding or rooming houses as outlined in Appendix B;
 - e) enter into an agreement with, and issue payments to the Toronto Hostels Training Centre for the administration and provision of training for shelter, drop-in and other agency staff up to a maximum amount of \$0.218 million gross and \$0.109 million net as outlined in Appendix B; and
 - f) purchase up to \$0.060 million gross and net in training for staff of the directly operated shelters from the Toronto Hostel Training Centre, as outlined in Appendix B, in order to meet the training requirements laid out in the Council-approved Toronto Shelter Standards.

Financial Impact

Funding for the recommendations of \$63.113 million gross and \$19.342 million net is included in the 2014 Approved Operating Budget for Shelter, Support and Housing Administration, as noted in the following allocation table:

2014 Expenditures (in \$ millions)	Provincial	City	Gross
Appendix A Shelter Allocations (rec. 1)	\$34.629	\$17.288	\$51.917
Appendix B Motels (rec. 2c)	0.845	0	0.845
Habitat Services (rec. 2d)	8.188	1.885	10.073
Toronto Hostels Training Centre (rec. 2e & f)	0.109	0.169	0.278
Total	\$43.771	\$19.342	\$63.113

Shelter, Support and Housing Administration operates within its funding authorities up to the approved Operating Budget.

As noted in Appendix A, the total maximum contract value for purchase of service shelter providers is \$54.3 million gross. From the chart above, the total approved budget is \$51.9 million gross, with a difference of \$2.4 million, comprised of an allowance for occupancy fluctuations. The division will enter into agreements with shelter providers at a maximum contract value which will provide sufficient flexibility to allow for volume fluctuations between providers. In the event that shelter occupancy levels exceed the 2014 approved budget, the General Manager, Shelter, Support and Housing Administration will report to Community Development and Recreation Committee and to Budget Committee and seek to mitigate cost pressures within the overall divisional funding envelope.

As noted in Appendix B, Other Service Contracts total \$11.196 million gross, with up to \$10.073 million for Habitat Services; \$0.845 million for Motel Contracts; and \$0.278 million for Toronto Hostels Training Centre.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Equity Impact

The Emergency Shelter System in Toronto serves equity-seeking groups such as seniors, people with disabilities, individuals with mental health issues, the working poor, and other vulnerable groups. Effective operation of the shelter system is important in ensuring that temporary accommodation is available to a variety of equity seeking-groups.

DECISION HISTORY

The City of Toronto is the Consolidated Municipal Service Manager (CMSM) for housing and homelessness services, as designated by the provincial *Housing Services Act*. In this capacity, the City provides program funding to community agencies and for shelters.

Reports have been prepared on an annual basis by the General Manager, Shelter, Support and Housing Administration, to make funding allocations for shelter and related services. A copy of the 2013 allocation report on Hostel funding can be found at:

<http://www.toronto.ca/legdocs/mmis/2013/cd/bgrd/backgroundfile-56533.pdf>

At the meeting of December 16-18, 2013, City Council unanimously adopted Community Development and Recreation Committee report CD25.10, the *2014-2019 Housing Stability Service Planning Framework*. Within the report were a series of strategic actions the Division will seek to implement over the next five years. A number of these strategic actions relate to provision of shelter and related services, including development of a new funding model for shelters, maintaining a 90 percent occupancy rate, and the development of a 10 year capital management and infrastructure plan for shelter assets.

<http://www.toronto.ca/legdocs/mmis/2013/cd/bgrd/backgroundfile-64008.pdf>

ISSUE BACKGROUND

Shelter, Support and Housing Administration (SSHA) is responsible for administering social housing programs, providing emergency shelter, managing programs to help homeless people move from the streets or shelters into permanent housing, and assisting those at risk of homelessness to maintain their housing.

SSHA delivers housing and homelessness services in partnership with community agencies by providing program funding and coordinating services based on a Housing First model. This model is aimed at ending homelessness through a range of approaches, partnerships, and supports that help people to find and keep housing. Access to emergency shelter and related supports is an important part of the overall Housing First service system.

In December 2013, City Council approved the *2014-2019 Housing Stability Service Planning Framework*, and SSHA is currently working on implementation plans for the key actions identified within the framework. Moving forward, the Division will be aligning service related decisions to these key actions, and will be looking to embrace the flexibility available under the provincial Community Homelessness Prevention Initiative (CHPI) funding envelope to provide a wider spectrum of shelter and housing options.

COMMENTS

As of January 1, 2014, there were 57 permanent shelter facilities in the City of Toronto, and one temporary facility. The shelter system is a mixed service delivery model with the City directly operating nine shelter sites. There are another 48 shelter sites operated by 30 community not-for-profit agencies funded through purchase of service contracts with the City. The largest community not-for-profit providers of shelter services are the Salvation Army (658 beds), Homes First Society (166 beds) and the YWCA (136 beds).

All programs must meet operating requirements that are set out in both the Toronto Shelter Standards and the purchase of service contracts. All programs are monitored by SSHA agency review staff on an ongoing basis. Consistent with the recently approved *2014-2019 Housing Stability Service Planning Framework*, SSHA staff have begun work to revise the Toronto Shelter Standards to ensure they reflect the changing needs and demographic profiles of shelter users, including overrepresented groups such as aboriginal people, aging clients and LGBTQ youth.

Purchase of Service Rates and Bed Capacities

a. 2013 Recommended Funding Allocations and Bed Capacities

Historically, provincial funding rules have required the City to fund community operated shelters according to a per diem model based on actual occupancy of beds. With the introduction of the CHPI funding envelope, this approach is no longer required. Accordingly, key action 2.3 of the *Housing Stability Planning Framework* is to develop a new shelter funding model in consultation with shelter providers that is predictable and performance based with a continued focus on moving shelter users into appropriate housing as quickly as possible. This work is being undertaken in 2014 with a view to implementing a new funding model in 2015. In the interim, in 2014 SSHA will continue to pay purchase of service providers using the occupancy driven model.

This report recommends maximum contract amounts for purchase of service shelters. There are a number of changes to maximum contract values for shelters in 2013. A marginal increase of 1 percent has been provided to all purchase of service shelters. This is the first increase providers have been given in three years to address increases in operating costs. This represents an approximate increase to the POS budget of \$0.850 million gross and \$0 net from 2013.

Also, because of the ongoing activation of extreme weather beds, as directed by City Council in April 2013, an increase of \$1.49 million gross and \$0 net has been allocated to the Extreme Weather Program in 2014. It is anticipated that this ongoing use of extreme weather beds will continue at least for 2014, until additional capacity is added to the system and/or the demand for emergency shelter beds decreases. Funding for this capacity increase is available through a one-time draw on the Social Housing Reserve.

A further increase of \$0.600 million gross and \$0 net was allocated to the POS budget to establish a permanent service to replace the temporary emergency women's shelter currently operated by the Salvation Army at 248 Dufferin Street. This location began offering service on November 28, 2013, and SSHA is seeking Council approval through this report to establish a permanent short term transitional housing program to replace the temporary Dufferin site.

SSHA has more flexibility available through the provincial CHPI program to fund a broader envelope of shelter and housing options. The new short term transitional housing program, located at 386-88 Dundas St. East, will assist with a more rapid transition from shelter to permanent housing for low needs shelter users, and will be operated by Fred Victor Centre. The site is newly renovated, and will provide up to 40 single occupancy rooms with private baths. SSHA staff will work closely with the local ward Councillor, Fred Victor Centre and the local community to ensure this new program is successfully established.

The contract value of Bethlehem United Food Services was increased by approximately \$43,000 due to the ongoing use of 10 additional extreme weather beds at Bethlehem United Shelter. Bethlehem United Food Services is a contracted food service provider utilized at the location as part of the re-development agreement signed when the shelter was built.

The 2014 recommended bed capacities and funding allocations for each shelter are included in Appendix A. The funding for these allocations has already been approved as part of the 2014 Shelter, Support and Housing Administration Operating Budget.

b. In-year Adjustments to Funding Capacities and Service Levels

Changes to the Council-approved funding amounts and/or bed capacities are considered in-year adjustments. These adjustments can occur for a number of reasons including a change in service provision, an urgent financial situation that requires an increase to the per diem rate, and/or a need for additional beds to meet occupancy demand. Any changes in operating contracts must be approved by the appropriate signing authorities and SSHA reports out annually to Council on any required in-year adjustments.

As reported to Council in CD 25.11, *Update on Shelter Occupancy and the Quality Assurance Review of Shelter Access* in December 2013, there were three agencies that agreed to provide additional temporary beds to deal with ongoing occupancy pressures. In the men's sector, Christie Ossington Neighbourhood Centre added 16 beds to their location bringing the total beds available at that location to 61. In the women's sector, Street Haven at the Crossroads added 8 beds to their facility for single women, bringing the total number of beds at that location to 46. Sojourn House Shelter for families and refugees brought an

additional 8 beds on line to service single male refugees, raising their capacity to 58.

In total, 32 beds were added to these three existing shelter sites, all in compliance with the Toronto Shelter Standards space requirements. Additionally, 15 extreme weather beds were added at the Adelaide Resource Centre for Women. These beds are operated by Fred Victor Centre only on days when extreme weather alerts have been called. All of these additional beds were funded by utilizing the one-time CHPI transitional funding allocation provided by the provincial government.

In the youth system, the vacant shelter location at 1076 Pape Avenue is undergoing capital improvements, and is projected to open in the second quarter of 2014. This location was formerly operated by Touchstone Youth Centre, which ended their service contract with the City due to financial difficulties of the organization. The full budget for the location remains in place to be utilized by the new provider.

c. **Other Service Contracts - Habitat Services, Toronto Hostels Training Centre and Motels**

i. **Habitat Services**

Habitat Services is a housing and support subsidy program that is funded by the Ministry of Health and Long-term Care (MOHLTC) and the City of Toronto. On an annual basis, the program provides a housing subsidy for up to 931 units of private and not-for-profit boarding homes and rooming houses for people with psychiatric illnesses. In 2013, 1,111 people were housed through Habitat Services.

ii. **Toronto Hostels Training Centre**

3,014 shelter, drop in and other agency staff, as well as individuals from the community, received training and certificates through the Toronto Hostels Training Centre in 2013. The Centre was established in 1997 to provide low cost and sector specific training for shelter staff that was not otherwise available. The Centre offers over 120 different training courses and seven certificate programs that support agencies in meeting the Toronto Shelter Standards and allow staff to develop skills related to the provision of services to homeless individuals.

iii. **Motel Programs**

The City of Toronto purchases services from motels to provide spaces for families, couples and individuals to occupy when the regular permanent shelter system is at or near capacity. The motel program is administered through two City-operated shelters, Family Residence and Birkdale Residence. The use of motels allows the City the flexibility to respond quickly to changes in demand within the shelter system. On an average night in 2013, 195 people were provided shelter using the motel program.

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SIGNATURE

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ATTACHMENTS

Appendix A: 2014 Shelter Allocations
Appendix B: Other Service Contracts

Appendix A 2014 Shelter Allocations

2014 SHELTER INFORMATION			
SHELTER AND SECTOR	WARD LOCATION	BED CAPACITY	MAXIMUM CONTRACT VALUE
COED/MIXED SHELTERS			
DIXON HALL- HEYWORTH HOUSE	31	70	1,454,139.93
HOMES FIRST SOCIETY- 3576 ST. CLAIR AVE. E.	35	60	1,105,950.00
FRED VICTOR CENTRE – BETHLEHEM UNITED	15	60	1,393,497.00
BETHLEHEM CHURCH	15		313,696.48
HOMES FIRST SOCIETY-STRACHAN HOUSE	19	76	935,115.40
COSTI-RECEPTION CENTRE - Refugee	20	16	194,942.12
FIFE HOUSE-CO-ED Programs	***	16	119,442.60
TOTAL COED SHELTERS		298	5,516,783.53
FAMILY/REFUGEE SHELTERS			
YWCA - BEATRICE HOUSE – Family	17	80	1,661,772.00
CHRISTIE REFUGEE WELCOME CENTRE - Refugee	20	70	1,353,894.50
SOJOURN HOUSE-Refugee	27	58	1,038,607.50
SOJOURN HOUSE-Refugee Transitional		76	902,104.80
TORONTO COMMUNITY HOSTEL - Family and Refugee	20	24	498,531.60
WOODGREEN REDDOOR - Family and Refugee	30	106	2,561,664.90
TOTAL FAMILY SHELTERS		414	8,016,575.30
SEASONAL SHELTERS			
COLD AND HEAT ALERT BEDS - MULTIPLE SITES ARE CONTRACTED FOR ADDITIONAL FLEX BEDS. THERE ARE 22 PROJECTED ALERTS BUDGETED FOR IN 2014 - INCLUDES STIPEND~		125*	2,088,201.50
DIXON HALL - OUT OF THE COLD (average number of beds per night)		90	1,189,170.00
UNIVERSITY SETTLEMENT (WEEKENDS ONLY)	20	75	605,088.00
TOTAL SEASONAL SHELTERS		290	3,882,459.50

* does not include the 62 flex beds in the directly operated shelters.

2014 SHELTER INFORMATION			
SHELTER AND SECTOR	WARD LOCATION	BED CAPACITY	MAXIMUM CONTRACT VALUE
MEN'S SHELTERS			
SCOTT MISSION	20	45	789,714.00
CORNERSTONE PLACE	21	50	766,865.00
GOOD SHEPHERD	28	91	1,544,829.65
GOOD SHEPHERD-BARRETT	28	5	44,511.75
NATIVE MEN'S RESIDENCE	21	63	1,283,178.49
NATIVE MEN'S RESIDENCE-SAGETAY	21	22	448,074.00
CHRISTIE-OSSINGTON CENTRE-MEN	18	61	997,013.93
SALVATION ARMY-HOPE SHELTER	20	110	1,788,281.00
SALVATION ARMY-MAXWELL MEIGHEN	28	260	4,083,547.00
SALVATION ARMY-GATEWAY	28	108	1,801,592.55
DIXON HALL-SCHOOL HOUSE	27	40	936,444.00
ST SIMON'S SHELTER	28	57	1,085,396.85
TOTAL MEN'S SHELTERS		912	15,569,448.21
WOMEN'S SHELTERS			
ST.VINCENT DE PAUL-AMELIE	30	20	552,975.00
FRED VICTOR CENTRE WOMEN'S SHELTER	28	40	846,362.00
ST.VINCENT DEPAUL-MARY'S HOME	27	38	804,043.90
NELLIE'S WOMEN'S SHELTER	***	10	230,023.00
ST.VINCENT DEPAUL-ST CLAIRE RESIDENCE	24	30	425,188.50
ST.VINCENT DEPAUL-ELISA HOUSE	6	40	846,362.00
SALVATION ARMY-EVANGELINE RESIDENCE	14	90	1,917,783.00
SALVATION ARMY-FLORENCE BOOTH HOUSE	19	60	1,307,211.00
STREET HAVEN	27	46	904,261.59
HOMES FIRST SOCIETY-SAVARD HOUSE	18	30	737,701.50
YWCA - FIRST STOP WOODLAWN-WOMEN	22	28	592,453.40
PROPOSED NEW WOMEN'S SHELTER	28	40	600,000.00
TOTAL WOMEN'S SHELTERS		472	9,764,364.89

2014 SHELTER INFORMATION			
SHELTER AND SECTOR	WARD LOCATION	BED CAPACITY	MAXIMUM CONTRACT VALUE
YOUTH SHELTERS			
COVENANT HOUSE	27	94	1,988,950.70
COVENANT HOUSE-SECOND STAGE	27	28	553,413.00
EVA'S INITIATIVES-PLACE	34	32	677,089.60
EVA'S INITIATIVES-SATELLITE	23	32	850,771.20
HORIZONS FOR YOUTH	17	35	740,566.75
NATIVE CHILD & FAMILY SERVICES SHELTER	19	12	253,908.60
EVA'S INITIATIVES-PHOENIX	19	50	1,057,952.50
SECOND BASE YOUTH	35	56	1,288,128.80
1076 PAPE AVENUE YOUTH SHELTER+ \$73,450 pay direct rent for city lease	29	32	728,832.00
TURNING POINT YOUTH	27	35	740,566.75
YMCA HOUSE	20	45	1,025,248.50
YWCA - FIRST STOP WOODLAWN-YOUTH	22	28	592,453.40
YOUTH WITHOUT SHELTER	1	50	1,058,865.00
TOTAL YOUTH SHELTERS		529	11,563,988.40

TOTALS

2,915

\$54,313,619

Appendix B Other Service Contracts

a. **Mental Health Program Services of Metropolitan Toronto - Habitat Services**

Habitat Services is a housing and support subsidy program that is cost-shared by the Ministry of Health and Long-term Care and the City of Toronto. On an annual basis the program provides a housing subsidy for up to 931 units of private and not-for profit boarding homes and rooming houses for people with psychiatric illnesses. The subsidy is based upon a per diem rate which is adjusted according to each individual tenant's income. Up to \$10.073 million gross and \$1.885 million net, has been budgeted for Habitat Services in 2014.

b. **Toronto Hostel Training Centre**

The Toronto Hostels Training Centre (THTC) was created in 1997, following the recommendations made by a Coroner's jury regarding the need for staff training in hostels. The City of Toronto provides \$218,000 in annual funding to provide specialized training and associated services in a cost effective manner for the staff and board members of shelters and others working with homeless people. The Centre offers all of the mandatory and suggested trainings outlined in the Toronto Shelter Standards.

On an annual basis City operated shelters purchase training from the Toronto Hostels Training Centre in order to meet the training requirements under the Shelter Standards. The rates are range from \$35-\$57 per day, per person, per course. Given the specialized training, purchasing limits and requirements related to sole source contracts, Hostel Services is seeking the authority to continue to purchase training from the Centre for an amount up to \$60,000.

c. **Motel Contracts**

The City of Toronto contracts with motels to provide spaces for families, couples and individuals when the regular permanent shelter system is at or near capacity. The motel program is administered through two directly operated shelters, Family Residence and Birkdale Residence. At the present time the City works with three motels in Scarborough (two in Ward 44 and one in Ward 36). In 2013, the average number of people staying in the motels including children on a nightly basis was 195.

The costs for this program, up to \$845,183 are included in the 2014 Shelter, Support and Housing Administration Operating Budget.