To the Members of the Audit Committee,

Like many of my colleagues working within homelessness services, I found the Auditor General's audit of the emergency shelters shocking. What it revealed to me as a sector worker – and should reveal to members of the Audit Committee, regardless of your thoughts on our City's homelessness response – is that there is a severe issue of fiscal mismanagement regarding our services. The Auditor General's recommendations clearly point to these inefficiencies, as do their recommendations.

However, as an expert in the delivery of homelessness services, there is a significant missing piece within these recommendations, as well as the City's overall homelessness response: the role of daytime drop-ins.

Daytime drop-in centres are the most utilized service by unhoused people in Toronto – moreso than the shelter system, as we provide indoor space and vital services and amenities for shelter residents as well as people who sleep rough or are experiencing 'hidden homelessness'. ¹ We offer basic resources, including hot, home-cooked meals – which shelter residents often seek out because of the poor quality of shelter food – as well as free, public showers and laundry, clothing, harm reduction supplies, case management and housing help. We also offer community and connection, which makes drop-ins unique among homelessness services; indeed, unhoused people *choose* to attend drop-ins because of the relationships they've established with workers and the community, as well as for the recreational, wellness, and cultural programs we offer. We are, in many ways, a one-stop shop for unhoused people, and a particularly vital resource for those sleeping rough who otherwise cannot access indoor space. Our existence brings people off the street and into safe, indoor spaces *they willingly choose to be in*.

However, the City's current RFP for drop-in services has just \$4 million allocated to it. ² There are 59 drop-ins, both city-funded and non-city-funded, currently in the City of Toronto who are in direct competition for this funding. It is likely that most will receive no funding, and some drop-ins may even be defunded. This amount of funding is unchanged from 2014, and is simply not enough to sustain our important services. If we cannot stay open because we cannot secure funding, people will be left outdoors, including in public parks, 24/7.

What is galling is that drop-ins were lead to believe that funding simply wasn't available. However, it's clear that with \$13.2 million being paid out to hotels hosting emergency shelters outside of agreed-upon contracts, there is money. However, it is clearly being utilized in grossly inefficient ways. The amount of money 'leaked' in the emergency shelter system amounts to over three times what 59 drop-in centres are currently

¹ https://www.toronto.ca/legdocs/2006/agendas/committees/cms/cms060705/it023.pdf

² https://www.toronto.ca/wp-content/uploads/2022/05/958f-Information-Session-Daytime-Drop-In-Programs-FINAL-AODA-compliant.pdf

competing for in city funding. As well, this 'leakage' has resulted in no direct benefit to unhoused people. At the same time, we also know that the City of Toronto is experiencing a severe budgetary shortfall of \$815 million dollars. Thus, this unchecked seepage of public dollars is both morally and ethically problematic as well as disgracefully fiscally irresponsible.

I would ask that in considering the Auditor General's recommendations that the Audit Committee consider under Recommendation 12 the role of drop-ins as a highly efficient and effective homelessness response, understanding that the shelter system does not and never will intersect with the full spectrum of unhoused people. Toronto has always had people living outdoors as well as people who are hidden homeless – particularly women – and it will always have people resistant to entering the system. As well, drop-ins will always be needed help people to maintain their housing once they secure it by providing on-going case management and emotional support, as well as practical, cost-saving supports like free meals. We are a vital resource that must be included and adequately funded within the City's housing and homelessness strategy.

Thank you for your time and consideration,

Diana Chan McNally

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6 June 2022