

Update on Refugee Support Discussions with the Government of Canada

Date: July 19, 2023
To: City Council
From: City Manager
Wards: All

SUMMARY

This report responds to direction from General Government Committee on July 10, 2023, for the City Manager to seek confirmation of Federal Government funding for programs for refugees and asylum seekers, including shelter provision, and to report to City Council with an update.

On July 18, 2023 the Government of Canada announced an extension to the Interim Housing Assistance Program, with \$97 million to be allocated to the City of Toronto. While progress has been made, this funding allocation does not address the total cost pressures the City of Toronto is facing in providing emergency shelter and critical supports to asylum seekers.

This report provides an overview of the current funding pressures related to refugee shelter needs, as well as recent communications with the Government of Canada. A summary of meetings that were held between the City Manager, senior officials in the Federal and Provincial governments, and senior level officials in other Ontario municipalities on July 14, 2023 and July 18, 2023 is also provided.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council receive this report for information.

FINANCIAL IMPACT

The City of Toronto funds the cost of 500 shelter supports for asylum seekers through the annual budget for Shelter Support and Housing Administration (SSHA) Division. It is estimated that the City will incur \$157 million in costs in 2023 to provide refugee specific

shelter supports for the over 2,500 additional asylum claimants currently accessing the shelter system. On July 18, 2023 the Government of Canada announced an extension to the Interim Housing Assistance Program, with \$97 million to be allocated to the City of Toronto. This funding will offset costs associated with the operation of approximately 1,500 shelter spaces. A gap of \$60 million in costs will continue to be incurred by the City alone for the additional 1,000 spaces critically needed to support asylum claimants currently within the City's shelter system and does not account for any additional cost pressures caused by increased needs for refugee shelter supports beyond these estimates.

DECISION HISTORY

On July 10, 2023, General Government Committee considered GG5.4 - "Amendment to Non-Competitive Blanket Contract Number 47024284 with Canadian Red Cross Society" and forwarded it to City Council without recommendation. As part of its decision, the committee directed the City Manager to seek confirmation of Federal Government funding for programs for refugees and asylum seekers, including shelter provision, and to report to the July 19, 20 and 21, 2023 meeting of City Council with an update.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.GG5.4>

On June 14, 2023, City Council adopted MM7.42 - "Securing Emergency Shelter for Refugees", including an urgent request for the Government of Canada to allocate funding in the Federal Budget 2023 for "Temporary Lodgings for Asylum Seekers in Need of Shelter" to help refugees in the Toronto Region seeking safe shelter.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.MM7.42>

On March 29, 2023, City Council adopted CC5.5 - "Intergovernmental Advocacy Efforts on Toronto's Refugee Claimant Shelter Response", and in its decision requested the Government of Canada to extend funding for shelter for asylum seekers in Toronto, reiterated previous requests for a strategy and additional supports to manage large scale asylum seeker arrivals, and reiterated City Council's urgent request that processing of refugee protection claims be brought to the legislated timelines.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.CC5.5>

On February 7, 2023, Toronto City Council adopted EC1.5 - "COVID-19 Shelter Transition and Relocation Plan Update 2023", including directing staff to work with regional Greater Toronto and Hamilton Area partners to establish a coordinated regional response to support the arrival of refugee claimants and/or asylum seekers and to work with the Federal and Provincial Governments to provide funding for this purpose.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EC1.5>

On April 6, 2022, Toronto City Council adopted MM42.33 - 2022 "COVID-19 Intergovernmental Funding Update - Urgent Funding Commitments Required", including direction to the City Manager and the Chief Financial Officer and Treasurer to continue to engage with the Federal and Provincial Governments to obtain funding commitments obtain funding commitments for 2022 refugee response costs.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.MM42.33>

On November 9, 2021, Toronto City Council adopted EC25.6 - "2022 Shelter Infrastructure Plan, Community Engagement Review and Amendments to Contracts and Purchase Orders to Support Shelter Services", including reiterating its requests to the Federal and Provincial Governments to: a) work with the City of Toronto to develop a coordinated approach to new refugee claimant arrivals; b) continue to provide temporary accommodations for refugee claimant arrivals at the border or place of entry until they have a permanent housing plan in place; and c) develop a regional response to place new refugee claimant arrivals in interim housing where there is capacity.
<https://secure.toronto.ca/council/agenda-item.do?item=2021.EC25.6>

On June 8, 2021, Toronto City Council adopted EC22.1 - "Toronto Newcomer Strategy 2022-2026", including reiterating its request to the Federal and Provincial Governments to immediately engage with the City of Toronto on a regional system-level approach to planning for an increase in refugee claimant arrivals, and to the Federal Government to improve the capacity of the in-Canada asylum system and reduce the time required for processing refugee protection claims.
<https://secure.toronto.ca/council/agenda-item.do?item=2021.EC22.1>

On October 27, 2020, Toronto City Council adopted EC16.1 - "Interim Shelter Recovery and Infrastructure Implementation Plan", including requesting the Federal and Provincial Governments to: work with the City of Toronto prior to re-opening the border to develop a coordinated approach to new refugee claimant arrivals; and continue to provide temporary accommodation for refugee claimant arrivals at the border or place of entry until they have a permanent housing plan in place.
<https://secure.toronto.ca/council/agenda-item.do?item=2020.EC16.1>

On December 17, 2019, Toronto City Council adopted PH11.5 - "HousingTO 2020-2030 Action Plan", including requesting the Federal government to develop a federally administered system to house refugee/asylum claimants who arrive in Toronto without adequate housing and create a predictable funding regime to ensure the city is quickly reimbursed for its expenditures for providing temporary housing for refugee/asylum claimants.
<https://secure.toronto.ca/council/agenda-item.do?item=2019.PH11.5>

On April 16 and 17, 2019, Toronto City Council adopted "EC3.5 - City of Toronto Refugee Capacity Plan".
<https://secure.toronto.ca/council/agenda-item.do?item=2019.EC3.5>

COMMENTS

The City's shelter system is currently accommodating approximately 9,000 people nightly and is at full capacity. More than 1,000 new shelter spaces were added to the system in the last year. Despite this increase, the system remains full most nights, and on average, over 200 individual callers seeking a bed are left unmatched for space each night. More than 35 per cent of the 9,000 people using the City's shelter system are refugees - the lack of funding to support the volume of unhoused refugees is having a direct impact on how the City can care for the needs of its homeless population and is

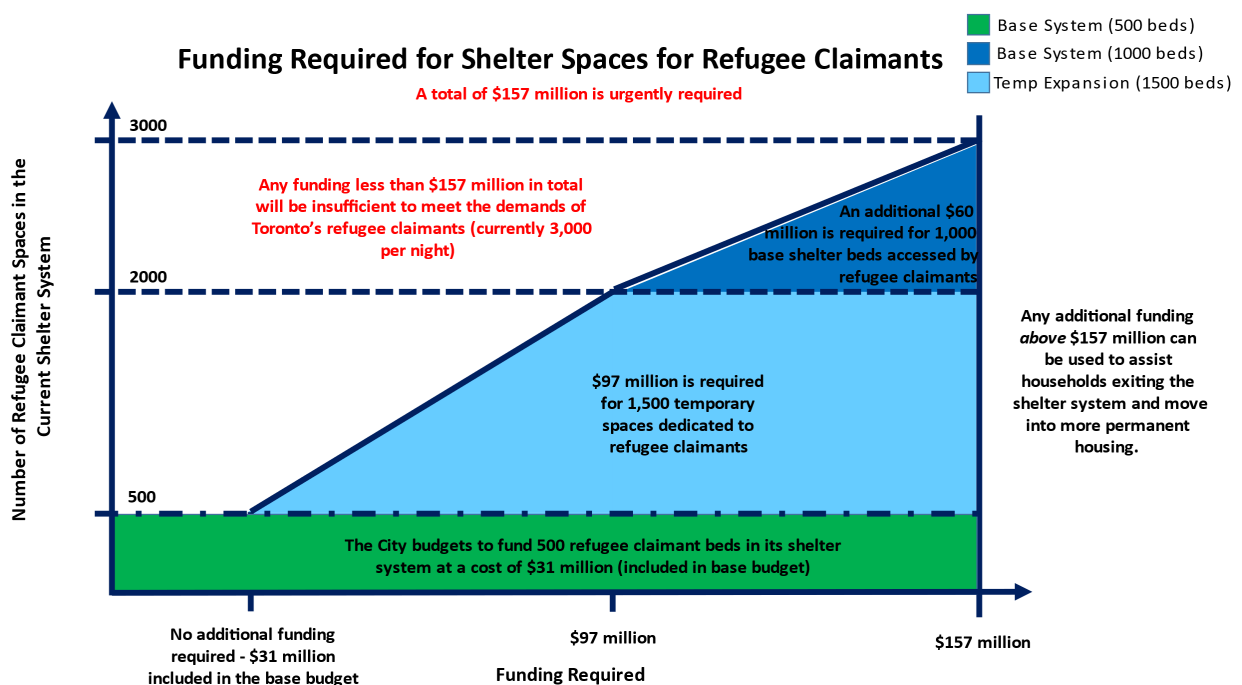
constraining our ability to respond to other critical needs (e.g., moving people from encampments, sheltering survivors of human trafficking).

Prior federal funding assistance

In total, the federal government has provided approximately \$215 million in funding between 2018 and 2022 to support the City's response to asylum seekers. This includes \$198.4 million through the Interim Housing Assistance Program (IHAP) to support the City's refugee-specific shelter system. In addition to IHAP, the federal government provided another \$17 million for a regional response led by Toronto.

Current funding situation and needs

It is estimated that the City will incur \$157 million in costs in 2023 to provide refugee specific shelter supports for 2,500 asylum claimants. As demonstrated in the chart below, these costs account for the ongoing level of shelter support being provided to unhoused refugees and does not include any potential increase in need beyond this volume.



Engagement and Communication with the Government of Canada and Province of Ontario

The City of Toronto has been communicating the urgency of the recent refugee and shelter system crisis and seeking emergency financial assistance since 2019. Senior level staff in the City's Shelter Support and Housing Administration (SSHA) division have been meeting with IRCC monthly, providing detailed statistical information on refugee usage of the shelter system, and providing a detailed breakdown of the City's year-to-date actual costs related to refugee response every four months, most recently on May 15, 2023.

On July 14 and July 18, 2023, the City Manager met with senior officials from the Federal and Provincial governments, along with senior level officials from other Ontario municipalities to discuss the immediate pressures municipalities are facing as a result of the refugee crisis, and supports that can be provided by all levels of government in the short-, medium-, and long-term including:

- Access to physical infrastructure to provide more space for refugees/asylum seekers in the GTHA
- Funding to move those in “non-refugee” shelter spaces to permanent housing or refugee specific shelter spaces
- Funding to stabilize shelter and supports for refugees/asylum seekers in the future
- A long-term plan to build a stronger partnership between all three levels of government and the community organizations who support refugees/asylum seekers to properly assist those arriving in Canada

Engagement outcomes and next steps

On July 18, 2023, the Federal Government announced a one-time funding commitment of \$212M to the Interim Housing Assistance Program, \$97M of which is allocated to Toronto to support refugee shelter needs (see attached Government of Canada News Release). The allocation of \$97M to Toronto will only address the current 1,500 temporary shelter spaces dedicated to asylum claimants and does not account for additional space currently being provided in the base shelter system or any increased need that arises throughout the year.

While progress has been made, City staff continue to highlight the significant funding gap that still needs to be filled to address ongoing and increasing refugee shelter and support needs. In addition, the City continues to assert that a coordinated and regional response is required to stabilize the system and provide better service to refugees. City staff are continuing discussions towards further commitments to address these needs, including a request for a sustainable and predictable funding and response program beyond 2023.

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SIGNATURE

Paul Johnson
City Manager

ATTACHMENTS

- Government of Canada News Release, "*More federal housing support for asylum claimants*" (July 18, 2023)