

COVID-19 Shelter Transition and Relocation Plan Update 2023

Date: December 23, 2022

To: Economic and Community Development Committee

From: General Manager, Shelter, Support and Housing Administration, Executive Director, Corporate Real Estate Management and Acting Chief Procurement Officer, Purchasing & Materials Management

Wards: All

REASON FOR CONFIDENTIAL INFORMATION

Confidential Attachment 1 refers to a position, plan or instruction to be applied to negotiations carried out or to be carried out by or on behalf of the City of Toronto.

SUMMARY

This report provides an update on the COVID-19 Shelter Transition and Relocation Plan, which was adopted by Council on April 6, 2022 to guide a phased, gradual transition from temporary shelter sites. This report provides an update on the phase 1 work plan approved in April 2022, and outlines next steps for phase 2 of the plan in 2023.

There are currently 23 temporary sites operating as part of the City's shelter system, including shelter hotels and non-hotel sites. There is also a program that operates as a partnership with an Indigenous service provider independent of the City's shelter system. These temporary sites, the majority of which were created at the beginning of the pandemic to support physical distancing requirements in the shelter system, shelter approximately 3,000 individuals and are now providing about 30% of the spaces in the City's shelter system. With the wind-down of COVID-19 response funding for shelters from other orders of government, a thoughtful approach to gradually closing the sites is needed. A sudden reversal of these spaces would cause significant disruption to the vital services delivered through the sites and the vulnerable Torontonians who rely upon them.

This report requests the authorities required to implement the COVID-19 Shelter Transition and Relocation Plan for 2023 and 2024. This includes the authority to enter into lease/licence extensions and agreements at temporary shelter sites to continue to support those programs beyond their current contract or lease end dates, and amendments to the associated service agreements. As part of phase 2 of the transition plan, up to five temporary shelter sites will be closed in 2023. If current projections change, the timelines for the plan will be revisited and an update will be provided to Council.

The emergency shelter system plays an important role in supporting the health and wellbeing of those experiencing homelessness, but the solution to homelessness is permanent affordable housing with supports. The success of the COVID-19 Shelter Transition and Relocation Plan is dependent on availability of additional deeply affordable and supportive housing opportunities for people to move out of shelter more quickly. While the City, in partnership with the federal and provincial governments as well as the non-profit sector, has moved rapidly to create almost 3,600 new affordable and supportive housing opportunities for people experiencing homelessness as part of the [24-Month Housing and Homelessness Plan](#) (2021-2022), new and enhanced investments from the federal and provincial governments are necessary to scale up efforts to adequately address Toronto's homelessness challenges. In addition to new supply, investments in homelessness prevention and poverty reduction measures such as increases to social assistance benefit rates and housing benefit program allocations, which better respond to the actual cost of living in Toronto, are necessary to prevent more households from falling into deep poverty and homelessness.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration, the Executive Director, Corporate Real Estate Management, and the Acting Chief Procurement Officer, Purchasing & Materials Management recommends that:

1. City Council authorize the General Manager, Shelter, Support and Housing Administration, in consultation with Purchasing & Materials Management, to enter into the necessary amending agreements on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration, and in a form satisfactory to the City Solicitor to increase the value and extend the term of twelve (12) existing non-competitive blanket contracts/purchase orders and five (5) existing competitive blanket contracts outlined in Attachment 2, Table 1 and 2 to April 30, 2024 and contingent on funding in the 2023 budget.
2. City Council, in accordance with Section 71- 11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), grants authority to the Executive Director, Corporate Real Estate Management, to amend contract number 47022573 with A.S.P. Incorporated, to add \$1,018,637, net of all taxes and charges (\$1,036,565 net of HST recoveries) to the contract, thereby increasing the contract value from \$24,429,452 to

\$25,895,976, net of all taxes and charges (\$895,488 net of HST recoveries), as outlined in Attachment 2, Table 3.

3. City Council, in accordance with Section 71- 11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), grants authority to the Executive Director, Corporate Real Estate Management, to amend contract number 47021955 with Read Jones Christoffersen Ltd., to add \$2,309,318, net of all taxes and charges (\$2,349,962 of H.S.T. recoveries) to the contract, thereby increasing the contract value from \$19,999,000 net of all applicable taxes and charges (\$20,350,982 net of H.S.T. recoveries) to \$22,308,318 net of all taxes, as outlined in Attachment 2, Table 4.

4. City Council authorize the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Shelter, Support and Housing Administration, to negotiate and approve lease/licence extensions in relation to the properties identified in Confidential Attachment 1, Table 5, in a form satisfactory to the City Solicitor. The proposed business terms for any such future lease/licence extensions must generally reflect the existing terms and conditions, as amended by the terms and conditions contemplated for that property in Confidential Attachment 1, Table 5, and on such other or amended terms and conditions as may be deemed appropriate by the Executive Director, Corporate Real Estate Management, in consultation with the General Manager, Shelter, Support and Housing Administration. The required funding must be available in the Shelter, Support and Housing Administration's approved budget and no extension shall extend later than April 30, 2024 without securing further City Council approval.

5. City Council authorize the public release of Confidential Attachment 1 to the report upon the expiration of the last agreement of the leased and/or licensed premises, as Confidential Attachment 1 contains instructions to be applied to negotiations carried on or to be carried on by or on behalf of the City of Toronto.

6. City Council direct the General Manager, Shelter, Support and Housing Administration to work with regional Greater Toronto and Hamilton Area (GTHA) 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 government to provide funding for this purpose.

7. City Council authorize the General Manager, Shelter, Support and Housing Administration, or designate to:

a. Allocate any funds received from the federal and provincial governments, or a related federal or provincial agency or corporation, and enter into agreements with other participating municipalities in support of a coordinated regional response to support the arrival of refugee claimants and/or asylum seekers, such agreements to be on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration, and in a form satisfactory to the City Solicitor; and

b. Allocate any funds received from the federal and provincial governments, or a related federal or provincial agency or corporation, and enter into agreements as

may be necessary to provide programs and services to refugee claimants and/or asylum seekers in Toronto in accordance with approved budgets.

8. City Council request the Federal and Provincial Governments to provide support for the planning, programs and services related to large-scale refugee claimant and/or asylum seeker arrivals, including additional dedicated allocations as part of the Canada-Ontario Housing Benefit.

EQUITY IMPACT

Toronto's homelessness service system serves a range of equity-deserving groups, including people experiencing chronic homelessness, seniors, low-income households, people with disabilities, Indigenous people, Black people, 2SLGBTQ people, women and youth. Ensuring people experiencing homelessness have access to safe, high quality emergency shelter, and access to permanent housing opportunities is an important determinant of health and also improves the social and economic status of an individual.

FINANCIAL IMPACT

This report requests Council authority to:

- amend twelve (12) existing non-competitive blanket contracts and purchase orders for various services supporting the operation of the City's emergency shelter response at a total estimated cost of up to \$10.1 million net of HST recoveries in 2023 and up to \$33.4 million net of HST recoveries in 2024;
- amend five (5) existing competitive blanket contracts for various services supporting the operations of the City's emergency shelter response at a total estimated cost of up to \$109 million net of HST recoveries in 2023 and up to \$127.3 million net of HST recoveries in 2024; and
- extend leases and licences at the properties identified in Confidential Attachment 1, Table 5 to support the City's shelter response at a total estimated cost of up to \$25.0 million net of HST recoveries (\$18.2 million net of HST recoveries in 2023 and up to \$6.9 million net of HST recoveries in 2024) as detailed in Confidential Attachment 1, Table 6.

The target value of the blanket contracts is non-committed and will be expensed at time of commitment to allow the City to continue to pay the vendor. The actual spending against these agreements will be limited to the Council approved budget for the COVID-19 Response. SSHA's 2023 Operating Budget submission includes \$317.2 million for COVID-19 Response, including \$108.5 million for lease costs, \$28.5 million for food costs, and \$17.6 million for security other costs.

The total cost of the proposed extensions and other existing hotel contracts inclusive of operation funding, rent, restoration costs, catering and all other costs is \$317.2 million. The \$317.2 million of funding is available for ongoing temporary site operations in the 2023 Operating Budget for SSHA, subject to Council approval through the 2023 Budget Process. Funding requirements in 2024 will be included in the 2024 Operating Budget Submission for SSHA and subject to Council consideration with other City priorities through the Budget process.

Refer to Confidential Attachment 1, Table 5 for additional details on the extension agreements. Refer to Attachment 2 for non-competitive blanket contracts/purchase orders and competitive blanket contract amendments.

The Chief Financial Officer and Treasurer has reviewed this report and has been informed of the financial implications associated with this report as contained in the Financial Impact Section, Attachment 2 and Confidential Attachment 1.

DECISION HISTORY

At its meeting on April 6 and 7, 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. At this meeting City Council also directed the General Manager, Shelter, Support and Housing Administration, to report back to Economic and Community Development Committee in the first quarter of 2023 with an update on phase 1 of the COVID-19 Shelter Transition and Relocation Plan outlined in the report (March 14, 2022) from the General Manager, Shelter, Support and Housing Administration, the Executive Director, Corporate Real Estate Management and the Acting Chief Procurement Officer, Purchasing and Materials Management, and next steps for phase 2 of the plan in 2023. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EC28.9>

At its meeting on January 21, 2022, The Economic and Community Development Committee requested the General Manager, Shelter, Support and Housing Administration and the Acting Chief Procurement Officer to report back to the March 24, 2022 meeting of the Economic and Community Development Committee, prior to the award of the contract to New Lido Inc., on how to address cleanliness, security and safety of the property and proposed improvements before entering into an agreement with New Lido Inc. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EC27.9>

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", which granted authority to amend various existing non-competitive blanket contracts/purchase orders established to support the COVID-19 response, as well as authority to open and operate shelters and to take appropriate measures to provide adequate shelter capacity in response to unanticipated demands on the system. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EC25.6>

COMMENTS

1. Shelter system update

This report provides an update on the shelter system and current trends, reports back with an update on phase 1 of the COVID-19 Shelter Transition and Relocation Plan, and outlines next steps for phase 2 of the plan in 2023 and 2024.

Shelter system trends

Toronto operates the largest shelter system in the country, currently accommodating approximately 8,600 people nightly. In 2022, the City spent \$664M to provide emergency shelter and wraparound supports for people experiencing homelessness. Demand for emergency shelter has increased over the past year. This significant demand for shelter space is due to a number of factors including insufficient affordable housing supply, increased housing costs, a volatile economy with high inflation, wages and income supports that are too low to address the cost of living in Toronto and across Ontario, and a growing demand for housing from new refugee claimants and/or asylum seekers as border restrictions have eased.

Since spring 2021, there has been an increase in capacity of the shelter system allowing the number of people served a night to increase from 6,000 to over 8,000. The shelter system is currently serving twice as many people as it was six years ago. Despite continually adding new beds, there is ever-increasing pressure on the shelter system, which is at full capacity most nights.

New entries into homelessness have remained steady at 700 to 800 people per month since summer 2021. Meanwhile, the system saw a progressive increase in the number of people moving to permanent housing over the course of 2022, but this number is still far below new entries into homelessness.

The average number of daily unmatched individual callers to Central Intake has had a steady and dramatic increase since April 2022, reaching 187 in October. As of December 18th, unmatched calls have dropped to about 118 per day. This variation could be attributed to the influx of capacity rapidly brought online in the base system through winter spaces. Similarly, the average number of calls resulting in a referral to shelter space was in a downward trend throughout 2022 and was approximately 21.5 per day as of November. Partial December data indicates an average of approximately 45 matches per day.

Demand for services from refugee claimants and/or asylum seekers

Over the past year, the number of refugee claimants and/or asylum seekers in Toronto's shelter system has increased by more than 1,860 people per night, from a low of about 530 in September 2021 to over 2,390 per night on December 18th, 2022.

As of December 21st, 2022, total shelter occupancy was 8,666 – an overall increase of more than 400 shelter clients since November due to the introduction of winter spaces. Of the 400 new clients, approximately 250 were non-refugee claimant and/or asylum seeker singles and 150 were refugee claimant and/or asylum seeker families.

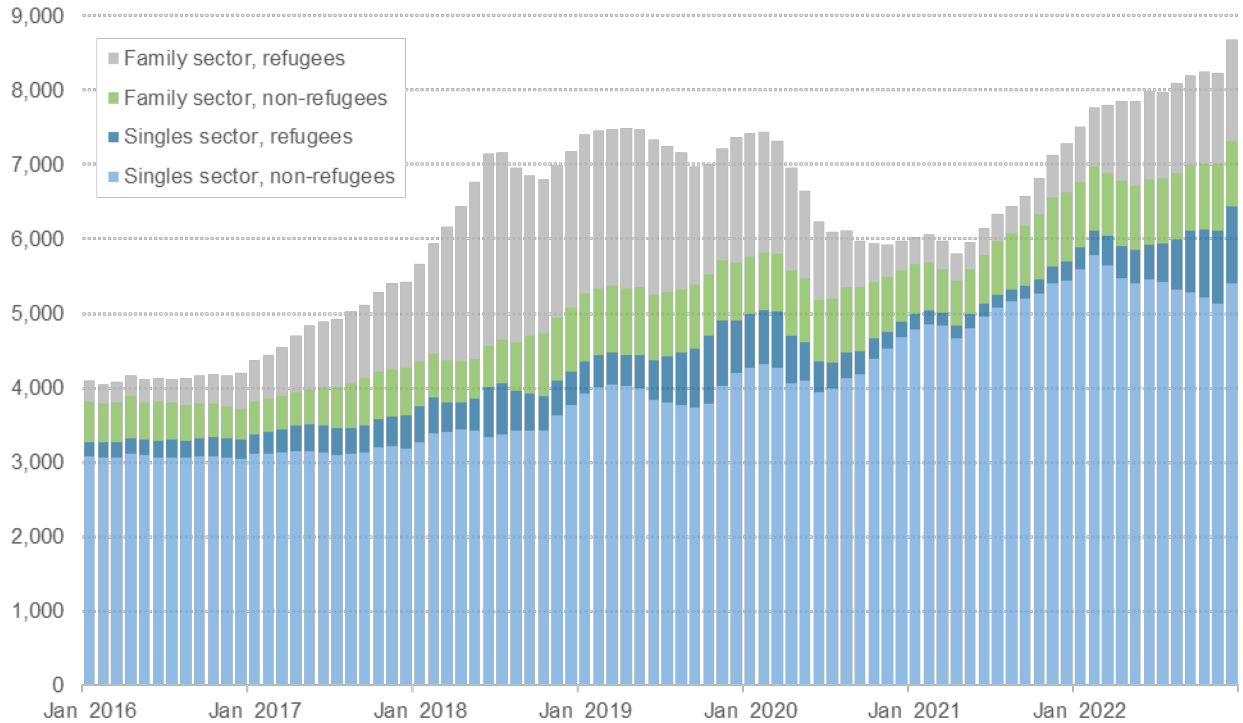


Figure 1: Average nightly occupancy by month, by refugee claimant and/or asylum seeker status and sector, January 1, 2016 to December 15, 2022.

Since September 2021, loosening border restrictions have resulted in an increase in demand for shelter services from refugee claimants and/or asylum seekers. New refugee claimant and/or asylum seeker arrivals averaged between 300 and 400 people per month in fall and winter 2022, with a growing proportion accessing service as singles. These arrivals significantly outpace exits to housing, particularly for refugee claimants and/or asylum seekers being served by the singles sector.

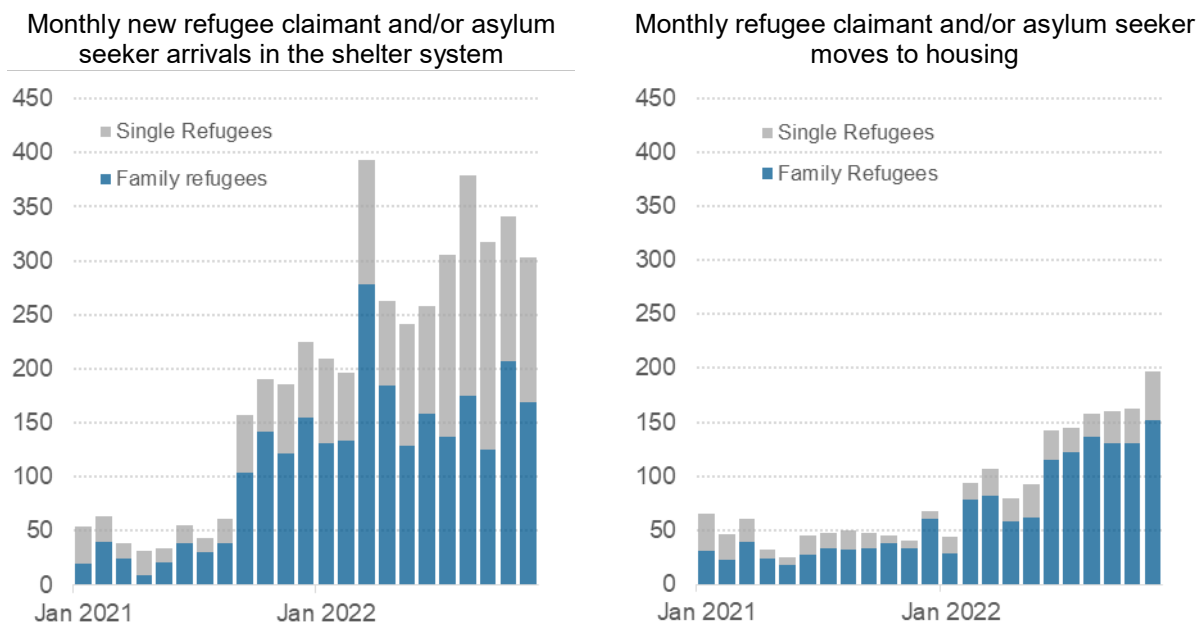


Figure 2: Refugee claimant and/or asylum seeker arrivals in shelter and exits to housing, Jan 2021 to Nov 2022

Ongoing Pressures from Provincial Systems

Since the beginning of the COVID-19 pandemic, shelter system pressures have been compounded by the complex health needs of people experiencing homelessness as well as the ongoing opioid poisoning crisis. Toronto's shelter system has expanded over 30% since the start of the pandemic, however, a similar expansion in services has not been seen in the provincially funded health system including crisis beds, withdrawal management services, and treatment programs for people experiencing homelessness. As shelter pressures continue to mount, it must be a priority for shelters and health system partners to work together to provide necessary health, mental health and harm reduction supports to individuals staying in shelter, and to coordinate these supports as they move through the shelter and housing system.

Gradual Return of Capacity to the Shelter System

To respond to system pressures, SSHA has been working to introduce a safe and moderate increase to capacity in the base shelter system by making changes in bed separation from 2 metres to 1.25 metres laterally, where possible. This has been introduced in a phased approach that considers individual sites and maintains rigorous infection prevention and control and other public health measures. The change in bed separation will continue to be implemented throughout early Q1 2023, and is estimated to gain an additional 500 beds.

2. Update on phase 1 of the COVID-19 Shelter Transition and Relocation Plan

The COVID-19 Shelter Transition and Relocation plan approved by City Council on April 6, 2022 recommended a thoughtful, phased approach to support a gradual transition out of temporary shelter sites, including the continued use of most sites, where possible.

This report provides an update on phase 1 of the work plan approved in April 2022, including the following components:

- A. Engagement process and learning from other cities
- B. Closing up to five sites in 2022
- C. Maintaining shelter system capacity through the creation of a dedicated shelter system for refugee claimants and/or asylum seekers; and plans for establishing a regional coordinated response

A) Engagement process and learning from other cities

Learning from clients, staff, service partners and other cities has been a key component of the COVID-19 Transition and Relocation plan. In 2022, the City launched an engagement process to inform ongoing development of the COVID-19 Transition and Relocation plan. This work was led by an external consultant, BGM Strategy Group, and included input from homelessness service providers, frontline staff, people experiencing homelessness, and health and harm reduction partners. It also included an in-person survey of over 200 people staying in temporary shelter sites, facilitated in partnership with the Toronto Shelter Network. Through the engagement process, stakeholders emphasized the importance of:

- retaining some of the benefits of a model of service delivery that incorporates more single rooms;
- minimizing the impacts on clients and maintaining continuity of service throughout transitions;
- clear communication and at least 90 days of preparation time;
- preserving shelter resident communities wherever possible and closing buildings gradually; and
- coordinating planning with systems partners, including a focus on housing and health and harm reduction supports.

These learnings were incorporated into site transitions processes throughout 2022, and have informed planning for site closures in 2023. Full results of the engagement and consultation process can be found within the report titled, [*Toronto's Shelter System past COVID: Insights from the Pandemic to Inform Post-Pandemic Planning*](#), and have been shared publically on the City of Toronto's website.

To compliment the findings from the engagement process, a jurisdictional scan has been conducted to identify important components and learnings of COVID-19 transition and relocation plans from major North American cities, including San Francisco, Los Angeles, New York, Chicago, and Vancouver. A summary of findings is included in Attachment 3.

B) Closing up to five sites in 2022

Council approved closing up to five temporary shelter sites in 2022, with a focus on moving people to permanent housing wherever possible and offsetting changes to shelter system capacity. To date, three programs (195 Princes' Boulevard; 1684 Queen

Street East; 45 Esplanade) closed. Occupancy has been reduced at a fourth site (65 Dundas Street East) while renovations take place to convert the site into deeply affordable and supportive housing. Site closures are based on the availability of sites to operate as shelters and willingness of property owners to continue existing arrangements.

The lease for a fifth site, located at 30 Norfinch Avenue ended on December 31, 2022. The service provider has entered into a direct agreement with the landlord and the program will be relocated to 66 Norfinch Avenue while their base shelter location is under redevelopment.

Supporting clients during site closures with a focus on health and housing

Ongoing and uninterrupted access to primary care, mental health case management, and harm reduction and peer support services are essential for people experiencing homelessness, including those who use substances. Inner City Health Associates (ICHA) works in close partnership with shelter operators to deliver integrated primary care and clinical services, including psychiatry, on site to people staying in shelter. As people are preparing to move from sites that are closing, case workers and ICHA staff have been working to ensure as many people as possible have connections to permanent primary care in the community to minimize the impact of the closures.

There are multiple access pathways to mental health case management supports for people who are experiencing homelessness, including on-site direct access programs and referral-based services through [The Access Point](#). Direct access and referral-based mental health case management supports are available to people staying at temporary sites and can support the transition to other sites as needed. Direct access programs that are available to people in shelters include the Multi-Disciplinary Outreach Team (M-DOT), led by LOFT Community Services, and the Hostel Outreach Program (HOP), led by Fred Victor. The Access Point is a central intake system for Intensive Case Management and Assertive Community Treatment.

In order to mitigate any gaps in access to essential harm reduction services, SSHA worked with harm reduction partners supporting shelters through the [Integrated Prevention and Harm Reduction Initiative \(iPHARE\)](#) and Mobile Outreach Harm Reduction (MOVID) programs to develop a harm reduction protocol for sites that are closing. This protocol outlines what needs to happen when a shelter site is confirmed for closure, including steps to identify and support clients with harm reduction needs, prepare and support shelter sites receiving clients, and ensure follow-up and transition supports are available to clients after they have left a shelter site.

As sites are closed efforts are made to provide as many people as possible with permanent housing opportunities, and referrals to other shelter sites where needed.

Table 1 shows client outcomes, including housing, for the sites closed in 2022. Outcomes from 30 Norfinch Avenue are not included because the closure was not complete at the time of writing.

	Housing	Shelter Referral/Self-Referral	Unknown Location	Health or Correctional Facility	Deceased
65 Dundas Street East	30.4%	29.6%	28%	8.8%	2.4%
195 Princes' Boulevard	3.0%	58.4%	33.5%	5.2%	0%
1684 Queen Street East	11.6%	83.8%	2.3%	2.3%	0%
45 Esplanade	15.9%	71.7%	11.2%	0.77%	0.4%

Table 1: Client outcomes for sites closed in 2022

C) Maintaining shelter system capacity through the creation of a dedicated shelter system for refugee claimants and/or asylum seekers; and plans for establishing a regional coordinated response

Creation of a dedicated shelter system for refugee claimants and/or asylum seekers to free up existing shelter capacity

In April 2022, SSHA received Council direction to create a dedicated system for refugee claimants and/or asylum seekers as part of the COVID-19 Shelter Transition and Relocation Plan, which would operate in parallel to the existing base shelter system. Programs for refugee claimants and/or asylum seekers are distinct from services provided in the base shelter system and offer specialized services to support people with unique needs. Specialized services include: settlement supports, legal supports, language specific supports and access to language-focused programming, and referrals to culturally appropriate community based agencies.

A dedicated shelter system for refugee claimants and/or asylum seekers will allow:

- refugee claimants and/or asylum seekers to access appropriate services and supports, increasing the likelihood of their ability to exit the shelter system;
- SSHA to better understand and monitor demand for services needed by refugee claimants and/or asylum seekers; and
- SSHA to free up capacity in the base shelter system to support local referrals into the base shelter system.

In 2022, SSHA added approximately 790 new spaces to support the arrival of refugee claimants/and or asylum seekers through the expansion of existing programs. Additionally, SSHA increased funding to FCJ Refugee Centre’s shelter diversion program which diverted over 900 individuals from entering shelter in 2022. The addition of new spaces helped to offset system capacity changes when sites were closed as part of the COVID-19 Shelter Transition and Relocation Plan. Refugee claimants and/or asylum seekers residing in the base shelter system programs were relocated to these newly added spaces. Spaces that opened up within the base shelter system were made available for referrals from Central Intake and for clients who required relocation through the process of closing sites.

SSHA continues to conduct consultations and coordinate with key partners in order to plan for the operationalization, evaluation and ongoing monitoring of a dedicated shelter system for refugee claimants and/or asylum seekers.

Establishing a regional coordinated response to support the arrival of refugee claimants and/or asylum seekers

Demand for shelter space from refugee claimants and/or asylum seekers has returned to 2019 trends and is expected to surpass 2019 occupancy pressures. In response to the continued surge, SSHA has begun to engage regional partners in the Greater Toronto and Hamilton Area (GTHA) to identify opportunities for initiating a Coordinated Regional Response for refugee claimants and/or asylum seekers, similar to the response implemented in 2019. In 2019, [Council approved](#) the Interim Housing Assistance Program to support the increased number of refugee claimants and/or asylum seekers arriving in Toronto. With funding from the Federal government, Toronto led the coordination of a GTHA response to collectively address the demand for emergency shelter across the GTHA. The implementation of this response was successful and supported nearly 80 families and over 500 clients.

A coordinated regional response provides a number of important opportunities for the City and local municipalities including:

- alleviating some pressures from Toronto's shelter system;
- ensuring municipalities across the GTHA have an organized and proactive approach to housing refugee claimants and/or asylum seekers; and
- streamlining access to services for refugee claimants and/or asylum seekers, while providing options for families looking for shelter and permanent housing across the GTHA.

The implementation of a coordinated GTHA regional response will require funding commitments from Immigration, Refugee and Citizenship Canada (IRCC), in addition to IRCC's commitments for long-term financial housing supports for refugee claimants and/or asylum seekers. In initial discussions regional partners have indicated interest in supporting a regional response if sufficient funding and supports are made available. Assistance and funding to procure new space in Toronto, surplus federal buildings, and other logistical support would help create spaces within the shelter system while providing temporary accommodation and better outcomes for refugee claimants and/or asylum seekers. Ramping up the Canada-Ontario Housing Benefit (COHB) with an additional dedicated allocation for refugee claimants and/or asylum seekers could significantly ease the current overflow pressure on the shelter system. Recent experience has shown the COHB to be a particularly effective strategy for refugee claimants and/or asylum seeker households, allowing them to resettle in communities across the province that best suit their needs and in housing markets that may be more affordable.

SSHA continues working with IRCC and has submitted 2022 expenditures totalling \$73.6M. An early financial commitment and flow of funding in 2023 would support the

SSHA's immediate cash flow challenges, and allow us to maintain and build capacity for a dedicated system for refugee claimants and/or asylum seekers.

3. Phase 2: Plan for extending temporary shelter locations and closing sites in 2023

Extending temporary shelter locations

There are currently 23 temporary shelter sites supporting the City's emergency COVID-19 response, along with an additional program that operates as a partnership with an Indigenous service provider independent of the City's shelter. This report seeks authorities to extend the temporary shelter site leases and 3 Non-Competitive Procurement contracts beyond their current contract or lease end dates to April 2024 as outlined in Confidential Attachment 1, Tables 1 and 2. Extending these leases and contracts will support the continued implementation of a phased and gradual transition.

In addition to sites that require action to extend as identified in this report there are 7 temporary shelter sites that have existing authority through a request for proposal contract to continue operating as needed in 2024, as outlined in Confidential Attachment 1, Table 3. These sites are likely to continue to be used as temporary shelter sites into 2024 given ongoing demand for shelter.

As part of phase 2 of the transition Plan, up to five temporary sites will be closed in 2023.

Amending non-competitive and competitive blanket contracts/purchase orders

To continue to support the COVID-19 Transition and Relocation Plan, SSHA needs to amend non-competitive blanket contracts/purchase orders and competitive blanket contracts that were established to support shelter services.

The 12 existing non-competitive blanket contracts/purchase orders and 5 existing competitive blanket contracts that need to be amended were established to provide the necessary assistance to ensure continuity of service and support the health and safety of people across the shelter system. The total amendment amount for the contracts and purchase orders is up to \$296,000,000 net of HST (\$301,209,600 net of HST recoveries). The amendments are needed to cover the costs and maintain continuity of various critical services and shelter operations at temporary shelter sites. The list of recommended blanket contracts requiring amendments to increase the value and extend the term is outlined in Attachment 2, Tables 1 and 2. Staff are recommending that these sites be extended to April 30, 2024 to align with the approach outlined in this report.

Additionally, as detailed in Attachment 2, the amendment to the contract with ASP Incorporated is required as it supports SSHA staff and third-party service providers' response to security incidents, and ensures a safe environment (Table 3). The amendment to the contract with Read Jones Christoffersen Ltd., as outlined in Attachment 2, Table 4, is required to complete SSHA capital and state of good repair projects that are in progress; a new competitive contract will be awarded in the first

quarter of 2023 for the ongoing provision of capital and state of good repair projects (Table 4).

The Fair Wage Office has reported that all suppliers engaged for these services have indicated that they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully.

Extending four temporary shelter sites issued through non-competitive agreements

Within the 12 non-competitive agreements listed in Attachment 2, Table 1 there are three temporary shelter sites procured through non-competitive procurements that are currently supporting the temporary emergency response with agreement expiry dates of April 30, 2023. The fourth shelter site was issued as a bridge pending issuance of a new competitive process in late 2023. Non-competitive procurements enabled continuity of service and supported the health and safety of clients at existing and new locations. Staff are recommending that these sites be extended to April 30, 2024 to align with the approach outlined in this report.

There is also one shelter site at 4540 Kingston Road that the City was using through a non-competitive agreement before the COVID-19 pandemic that will also need to be extended. Staff are recommending that this site be extended to April 30, 2024 to support the ongoing operation of the shelter system. This site is not part of the City's COVID-19 response and is not included among the temporary shelter sites.

Increasing housing opportunities to reduce demand for shelter

Delivery of new affordable and supportive housing opportunities

Emergency responses to homelessness, including shelters, are essential services to respond to the immediate needs of people experiencing homelessness. However, the solution to ending chronic homelessness is creating more supportive housing which provides a combination of deeply affordable homes and a range of support services to help people live independently and with dignity.

In September 2020, City Council approved the [24-month COVID-19 Housing and Homelessness Recovery Response Plan](#), to expedite delivery of the [HousingTO 2020-2030 Action Plan](#), and create 3,000 permanent housing opportunities for people experiencing homelessness as a direct response to the COVID-19 pandemic.

With the support of the federal and provincial governments, almost 3,600 new supportive and affordable housing opportunities were secured, with over 3,000 made available in 2021 and 2022 to move people out of shelters. From the beginning of 2020 to November 2022, the City has made significant progress on advancing the HousingTO 2020-2030 Action Plan, including moving over 13,000 people previously experiencing homelessness into permanent housing (including private market rental, support, and rent-geared-to-income housing. Additional affordable and supportive homes were also delivered through other City programs such as the Open Door Program and moving people into the private rental market through housing benefits.

Beginning in 2023, an estimated \$48 million per year in ongoing operating funding will be needed from the province to continue to support 2,000 residents in the new supportive housing created through this plan. Council has formally made a request to the province for this funding and the City is awaiting a response on future allocations.

Creating new and supportive homes in 2023 and 2024

In May 2022, City Council adopted report EX32.6 and approved the [24-Month Housing Recovery and Resilience Plan \(2023-2024\)](#), aimed at creating 4,000 new affordable and supportive housing opportunities in 2023 and 2024, including 2,500 new supportive housing and 1,500 affordable housing opportunities through the Canada Ontario Housing Benefit. Through this report, Council also approved Open Door financial incentives to support the creation of these new homes. Further, Council requested the Province of Ontario and the Government of Canada to provide new and enhanced investments to support this plan.

In November 2022, the federal government announced the launch of Phase 3 of the Rapid Housing Initiative (RHI) which will provide \$1.5 billion in capital funding nationally to create new homes for people experiencing homelessness. While the City is still awaiting details on its allocation under the 'cities stream', staff are also beginning to work with the non-profit sector to submit additional projects under the 'project steam'. Similar to the previous 24-Month Plan, RHI will be key in helping the City to create new supportive housing in 2023 and 2024.

Additional net new operating funding allocations from the province for support services will be needed to complement City and federal efforts to create new supportive homes in 2023 and 2024.

Changes to local priority rules

In July 2022, [City Council approved](#) a number of changes to the local priority rules for RGI housing, including a change to the homeless priority. Currently, applicants experiencing homelessness who are able to live independently without the provision of ongoing support services receive priority status on their centralized waiting list RGI application. Every seventh vacancy presently is filled by households experiencing homelessness, those in shelter or those sleeping outdoors, including newcomers experiencing homelessness and youth who are 16 or 17 years old at the time of applying for RGI housing.

In response to the deep need for housing as identified in the 2021 Street Needs Assessment, and in recognition of the need to develop housing opportunities across the housing spectrum, an amendment to the existing homeless priority was recommended and adopted. As of July 1, 2023, every fifth vacancy will be offered to an applicant with a new "experiencing homelessness" priority, which will apply to those in shelter or those sleeping rough, including newcomers experiencing homelessness. This change ensures that the allocation of RGI housing effectively contributes to the goal of reducing chronic homelessness, reducing homelessness overall, and reducing homelessness for equity-deserving groups who are overrepresented in the homeless population.

Over 2,700 applicants on the Centralized Waitlist are housed every year in an RGI unit. With 1 in 5 vacancies being filled by people experiencing homelessness, it is expected that approximately 550 households experiencing homelessness will receive an RGI housing opportunity each year.

The Housing Secretariat is currently working to ensure the new homeless RGI priority aligns with SSHA's prioritization framework and Coordinated Access approach, to streamline how people experiencing homelessness are prioritized for opportunities across the housing spectrum.

Next Steps

Since concluding the first phase of engagement on the COVID-19 Shelter Transition and Relocation Plan, SSHA has formed a Service Provider Advisory table comprised of organizations operating temporary shelter sites in order to inform ongoing development of the plan. SSHA will also undertake phase two of client engagement in partnership with the Toronto Shelter Network to deepen understandings of the experiences of people staying at temporary sites. Findings of these surveys will be aggregated with those of phase one in order to represent a range of perspectives. To ensure that the transition plan continues to advance City priorities and objectives, staff will continue to report regularly to the COVID-19 Transition and Relocation Executive Steering Committee, co-chaired by the Deputy City Manager and General Manager, SSHA, and comprising executive representation from Toronto Public Health, Corporate Real Estate Management, and the Housing Secretariat.

SSHA will continue to work with Service Providers of sites that are winding down to develop site-specific transition plans, with a concentrated focus on supporting clients in movement towards housing as well as offsetting impacts to shelter capacity.

As the second phase of the transition plan is implemented, staff will provide regular updates to ensure consistent messaging and a singular point of reference for key stakeholders and the public at <http://www.toronto.ca/physicaldistancingshelters>

Staff will report back to Economic and Community Development Committee in the first quarter of 2024 with an update on the second phase of the Shelter Transition and Relocation Plan and next steps for the plan in 2024.

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ATTACHMENTS

Attachment 1 – Temporary Shelter Sites Closed and Transitioned to the Base Shelter
System in 2022

Attachment 2 – Details of Amendments Required

Attachment 3 – Jurisdictional Scan

Confidential Attachment 1 – Temporary Shelter Site Summary and Details of
Leases/Licenses, Non-Competitive and Competitive Contract Amendments.