

2024 Shelter Infrastructure Plan and the Homelessness Services Capital Infrastructure Strategy (HSCIS)

Date: October 10, 2023

To: The Economic and Community Development Committee

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

Wards: All

SUMMARY

The shelter system is full, and the Shelter, Support and Housing Administration's (SSHA) existing long-term capital budget is insufficient to meet the needs of the system and those who rely on it. Shelter demand continues to grow at unprecedented rates, and additional pressures on shelter capacity are expected due to the closure of temporary COVID-19 hotel sites as part of the Council approved [COVID-19 Transition and Relocation Plan](#). There is currently no capital funding to replace this lost capacity. SSHA has made efforts to maximize capacity within the shelter system, however demand for shelter space continues to outpace capacity. In addition, SSHA has become increasingly reliant on temporary short-term leases and contracts to address demand and replace lost shelter capacity. This approach is costly and creates significant operational complications. To improve shelter system stability and recovery, maximize resources, and be more responsive to the needs of people experiencing homelessness, a strategic plan for shelter infrastructure in the City of Toronto is needed.

The purpose of this report is to outline a long-term, proactive approach to capital planning through the new Homelessness Services Capital Infrastructure Strategy (HSCIS). Solutions mobilized during the pandemic, while necessary to support the health and safety of shelter clients and save lives, are becoming more costly and challenging options for the long-term sustainability of Toronto's shelter system. This report seeks approval for a plan to increase the total number of new long-term and permanent spaces in the base shelter system by 1,600 spaces between 2024 and 2033. The majority of these new spaces will be used to replace the temporary spaces expected to be lost through the planned COVID-19 hotel site closures. Funding will also go towards other projects needed to support recovery and stability in the shelter system, including moderately growing shelter capacity in areas where there is significant need (families, youth, and Indigenous peoples), and developing a flex space to help facilitate expected state of good repair (SOGR) projects that necessitate client relocation. SSHA

is committed to working collaboratively with shelter operators and other community partners to implement the HSCIS.

This report also provides an update on SSHA's 2024 Shelter Infrastructure Plan as required by the [Emergency Shelter Development Process \(ESDP\)](#), approved by City Council in 2017. The infrastructure plan provides updates on progress on the Housing and Shelter Infrastructure Development project (HSID, formerly 1,000 beds), the George Street Revitalization (GSR) project, and recommends new projects as part of the HSCIS that will begin in 2024.

In addition, this report provides an update on the Council-approved phase two of the [COVID-19 Shelter Transition and Relocation Plan](#), and outlines next steps for phase three. Moving forward, this work will be integrated with the HSCIS approach to transition from the emergency-focused COVID-19 response to a long-term, proactive approach to capital planning for Toronto's shelter system.

The recommendations in this report will help address infrastructure challenges and create stability within the shelter system until adequate housing solutions are in place. The new spaces will also help address immediate pressures on the shelter system. However, in addition to these new shelter spaces, and in alignment with previously approved approaches, it's essential that the City also continue to invest in supportive housing to help people experiencing homelessness permanently leave the shelter system for housing. It is also critical that the City continue to work with the federal and provincial governments to establish sustainable and collaborative solutions for refugee claimants arriving in Toronto requiring access to shelter spaces. At a time when shelter demand is growing at unprecedented rates, investments in both housing and shelter projects are critical to helping people who are in immediate need of shelter, and helping more people transition out of the shelter system permanently into housing than are entering homelessness.

RECOMMENDATIONS

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

1. City Council adopt the Homelessness Services Capital Infrastructure Strategy (HSCIS) in Attachment 1 to the report from the General Manager, Shelter, Support and Housing Administration.
2. City Council direct the Executive Director, Corporate Real Estate Management, in consultation with the Chief Executive Officer, CreateTO, the General Manager, Shelter, Support and Housing Administration, the Executive Director, Housing Secretariat, the Chief Planner and Executive Director, City Planning and the Chief Building Official, to establish a working group to develop a detailed real estate implementation plan for the Homelessness Services Capital Infrastructure Strategy, including acquisition, leasing, construction and procurement strategies, as well as specific plans to stabilize the

existing temporary lease and contract sites expiring in the near term, and report back to Council in the first quarter of 2024 on the plan.

3. City Council approve the proposed Homelessness Services Capital Infrastructure Strategy 10-Year Plan in Attachment 2 and provide authority to the General Manager, Shelter, Support and Housing Administration to enter new, or amend existing agreements, as required, to open and operate new shelters and related homelessness services required in alignment with the recommendations in the Homelessness Services Capital Infrastructure Strategy, on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration and in a form satisfactory to the City Solicitor.

4. City Council request the Mayor to consider the implementation of the Homelessness Services Capital Infrastructure Strategy in proposing the 2024 Budget for Shelter, Support and Housing Administration, in consultation with the Chief Financial Officer and Treasurer, and the General Manager, Shelter, Support and Housing Administration.

5. City Council approve the 2024 Shelter Infrastructure Plan in Attachment 3 and provide authority to the General Manager, Shelter, Support and Housing Administration to enter new, or amend existing agreements, as required, to open and operate shelters outlined in the 2024 Shelter Infrastructure Plan on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration and in a form satisfactory to the City Solicitor.

6. City Council authorize the General Manager, Shelter, Support and Housing Administration to enter into new or amend existing agreements, other than leases or other property transaction documents for which delegated authority has been granted to Corporate Real Estate Management, to maintain or add required respite spaces and shelter beds and respond to urgent or unanticipated needs to add capacity or relocate shelters, 24-hour respite sites and 24-hour drop-ins on an ongoing basis, on terms and conditions satisfactory to the General Manager, Shelter, Support and Housing Administration and in a form satisfactory to the City Solicitor.

7. City Council authorize the Chief Procurement Officer to make awards upon the recommendation of the division head who initiated the award recommendation, for competitive and non-competitive procurements with a value exceeding \$500,000 for which Bid Award Panel, Standing Committee or City Council approval would normally be required under City of Toronto Municipal Code Chapter 195, Purchasing, for the provision of construction, legal and/or professional services needed to complete the acquisition of suitable real estate interests and to carry out any necessary pre-development, pre-construction, construction, renovation and conversion of properties for the development of shelter sites to maintain the capacity requirements of the shelter system, and the development of shelter sites under the Homelessness Services Capital Infrastructure Strategy, provided that:

a. the procurement is necessary to meet the goals and timelines of the Homelessness Services Capital Infrastructure Strategy;

b. the procurement is necessary to maintain the short-term capacity requirements of the shelter system;

c. the value of each award is within the funding limits under the Homelessness Services Capital Infrastructure Strategy;

d. the non-competitive or competitive procurement processes were completed in accordance with the City of Toronto Municipal Code Chapter 195, Purchasing, and associated policies and procedures;

e. there are no material risks as to the merits of making any awards;

f. the terms and conditions of any resulting agreements are acceptable to the division head recommending the award and in a form satisfactory to the City Solicitor; and

g. the term of each resulting agreement does not exceed five (5) years, or the projected term of capital funding under the Homelessness Services Capital Infrastructure Strategy as approved by Council.

8. City Council request the Government of Canada and the Government of Ontario to urgently increase investments in the Canada-Ontario Housing Benefit (COHB) program to meet demand and continue to support newcomers as well as Torontonians in need of housing.

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 peoples, Black people, refugees and refugee claimants, 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 improves the social and economic status of an individual.

FINANCIAL IMPACT

Approval of the recommended Shelter Infrastructure Plan and the Homelessness Services Capital Infrastructure Strategy (HSCIS) will impact 2024 and future year operating and capital funding requirements.

Capital and base operating funding currently exists for costs associated with previously approved projects, including the Housing and Shelter Infrastructure Development (HSID, formerly 1,000 beds) project and the George Street Revitalization (GSR) project, and are reflected in the Shelter, Support and Housing Administration's (SSHA) 10-Year Capital Plan and 2023 Operating Budget.

Future financial impacts for the full implementation of the recommendations of this report, as outlined in Attachment 4, are detailed below and are ultimately subject to the approval of future year Capital Plans and Operating Budgets.

Capital requirements over the ten-year capital planning period (2024-2033) for the new HSCIS is estimated to be \$674.5 million (see Attachment 4). Cost estimates are inclusive of site acquisition, consulting fees, construction/development, community engagement, design, project staffing, fit up, and inflation, and would primarily cover the cost of permanent sites to replace approximately 1,280 beds in temporary COVID-19 hotel sites, in addition to a further 320 beds in other projects needed to support recovery and stability resulting from growth in the shelter system.

As also detailed in Attachment 4, there is an expected net operating savings of \$187.3 million over ten years from the fully implemented HSCIS. The overall operating cost of implementing the HSCIS is estimated to be \$498.5 million over ten years (2024-2033), inclusive of the additional proposed 320 shelter expansion beds and flex site beds opening in 2026 and 2027 which will increase the annual operating budget gross and net by \$18.2 million. However, the closure of temporary COVID-19 hotels will create an operating cost-savings of \$685.8 million, which will offset the costs of implementing the HSCIS over ten years.

The Chief Financial Officer and Treasurer have reviewed this report and agree with the financial impact information.

DECISION HISTORY

At its meeting on February 7, 2023, City Council adopted EC1.5 “COVID-19 Shelter Transition and Relocation Plan Update 2023,” granting authority to 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. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.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 November 9, 2021, City Council adopted EC25.5 "Results of the 2021 Street Needs Assessment and Shelter, Support and Housing Administration's Homelessness Solutions Service Plan," which identified six implementation priorities that will guide the City and its partners over the next three years. A key action identified as part of the Service Plan is the development of a Capital Infrastructure Strategy for the shelter system.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EC25.5>

At its meeting on December 16, 2020, City Council adopted PH19.11 "Emergency Housing Action," requesting the Province of Ontario and Government of Canada provide \$48 million in annual ongoing operating funding to create and maintain 2,000 new supportive housing opportunities for vulnerable and marginalized individuals experiencing homelessness. Council also directed that funding be shifted from Shelter, Support and Housing Administration's shelter projects to the Housing Secretariat to create new permanent affordable housing with supports for people experiencing homelessness.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH19.11>

At its meeting on October 27, 2020, City Council adopted EC16.1 "Interim Shelter Recovery and Infrastructure Implementation Plan." It included several recommendations, including authorization for the General Manager, Shelter, Support and Housing Administration to develop plans to rapidly scale up the permanent housing and shelter capacity response required for safe physical distancing to accommodate unanticipated demand on the shelter and housing system during the pandemic.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EC16.1>

At its meeting on September 30, 2020, City Council adopted PH16.8 "Addressing Housing and Homelessness Issues in Toronto through Intergovernmental Partnerships," which described the advocacy the City was undertaking to secure additional investment from both the Provincial and Federal governments. The report also outlined the City's 24- Month COVID-19 Housing and Homelessness Recovery Response Plan aimed at providing dignified, stable, permanent housing options for 3,000 people experiencing chronic homelessness within the shelter system, with the support of the Federal and Provincial governments.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH16.8>

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 June 11, 2019, The Economic and Community Development Committee received the report, "2020 Shelter Infrastructure Plan and System Update Report" for information.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC6.9>

At its meeting on March 26, 2018, City Council adopted CD26.5 "Emergency Shelter Services - Update," requesting a review of properties for use as emergency shelter, supportive, and affordable housing, and providing an update on the New Shelter Service Model. Council also directed the development of interim respite service standards and a plan for developing permanent respite standards in consultation with interested and affected parties.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.CD26.5>

On February 12, 2018, City Council adopted EX31.2 "2018 Capital and Operating Budgets" and requested the General Manager of Shelter, Support and Housing Administration to expand the number of permanent new shelter beds by 1,000 over three years. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX31.2>

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 on October 2, 2017, City Council adopted Item EX27.12 "City-Wide Real Estate - Delegated Authorities Framework and Transition Plan," which provided delegated authority pertaining to certain real estate matters. This delegated authority was amended by Item GM27.12, adopted by City Council on May 22, 2018 or, where applicable, by Item EX28.8, adopted by City Council on November 7, 2017.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX27.12>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM27.12>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX28.8>

At its meeting on April 26, 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. It also described further steps needed to change the model for emergency shelters and change the conversation about homelessness in Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD19.6>

At its meeting on July 12, 2016, City Council adopted EX16.13 "George Street Revitalization – Recommended Procurement and Delivery Strategy," which authorized the financing and procurement model for the George Street Revitalization project.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.13>

COMMENTS

Shelter Infrastructure Context

Shelter System Capacity and Infrastructure Pressures

The City of Toronto's shelter system has undergone significant transformation to respond to the unprecedented needs of the COVID-19 pandemic. Since 2021, the capacity of the shelter system has increased by 30%. As of October 2023, the City is sheltering 10,700 people, with approximately 9,000 people in the shelter system and 1,700 people outside the shelter system in bridging hotels and programs supported by the Canadian Red Cross.

Despite this increased capacity, the shelter system is full and is unable to provide adequate shelter to everyone in need of emergency shelter space. Shelter demand continues to grow at unprecedented rates. In September 2023, an average of 278 callers to the Central Intake call centre could not be matched to a shelter space, and an average of 386 families were on the Central Intake family placement wait list, awaiting access to family shelter services. This increase in demand is also evidenced by the increase in encampments, people living outdoors, and on the City's transit system. Forecasting demand models suggest that demand for emergency shelter is expected to remain high and even increase in coming months and years. This is due to insufficient affordable housing supply, increased costs of living, inadequate wage and income supports, and a significant increase in the number of refugee claimants arriving in Toronto seeking shelter services.

As the City moves into the next phase of the Council-approved [COVID-19 Transition and Relocation Plan](#), additional pressures on shelter capacity will be observed due to the closure of temporary COVID-19 hotel sites. With the closure of nine (9) and transition of two (2) temporary sites to-date, 1,456 clients have already been relocated, with 925 people connected to shelter and 296 people who have moved to permanent housing. With more sites planned for closure, shelter capacity will decrease, and there is currently no capital funding to replace this lost capacity. Given the unprecedented demand the shelter system is currently facing, it's critical that existing capacity is not lost.

Shelter System Infrastructure Responses to Date

To address shelter system pressures, SSHA has reduced the lateral separation between beds to increase the capacity at shelter sites. The reduction in physical distancing requirements between beds from 2.0m to 1.25m in October 2022 achieved an increase of approximately 690 shelter beds and was not followed by an increase in COVID-19 outbreaks in shelters. In June 2023, SSHA began the further reduction of lateral distancing between beds from 1.25m to 0.75m, adding over 440 beds so far. Increases to shelter capacity, necessitated by existing and expected pressures to the system, must happen in conjunction with maintaining and monitoring adherence to key public health measures. Infection prevention and control (IPAC) and other public health measures will continue to be required to prevent and limit the spread of COVID-19 and other common communicable diseases. To date, shelter capacity lost due to the closure of temporary COVID-19 hotel sites has been absorbed by moving back to this pre-pandemic bed spacing. There is now no additional room in the shelter system to accommodate more people without opening new programs.

In addition, the City continues working to respond to the sharp increase in refugee claimants arriving in Toronto and in need of emergency shelter. The City is seeking support from federal and provincial governments to establish sustainable and collaborative solutions to support refugee claimants. Ongoing intergovernmental coordination and accountability from other levels of government are necessary for ensuring refugee claimants are adequately supported in their first days in Canada, including with access to shelter spaces.

SSHA has made efforts to maximize capacity within the shelter system, however demand for shelter space continues to outpace capacity. To bring more stability into the shelter system and ensure there is adequate shelter space available for those who need it today and into the future, new investments in, and approaches to shelter infrastructure are required. It is crucial to invest in shelter for people in immediate housing crises and for people experiencing homelessness who are living outdoors, until adequate housing solutions are in place and there are more people being housed than are entering homelessness. Shelters are vital in addressing the varied and ongoing reasons individuals require emergency shelter and support people in their transition toward permanent housing.

Shelter System Contractual Agreements

In order to meet shelter capacity demands, SSHA has become increasingly reliant on temporary short-term leases and contractual agreements. While solutions mobilized during the pandemic were necessary to support the health and safety of shelter clients, the current approach is not financially sustainable and creates significant complications to shelter operations.

Currently, 48% of the City's shelter spaces are held in short-term contracts and leases that will end by December 2024. This represents 4,063 spaces that are at risk of being lost in 2024 if they are not extended or replaced. An additional 11% of all spaces are in short-term contracts with agreements beyond 2024, creating a shelter system comprised of 59% temporary spaces and only 41% permanent spaces.

Short-term contracts and leases create significant complications for shelter planning, operational continuity, emergency preparedness, shelter client well-being, and the successful integration of shelters into the surrounding community. In addition, hotel and motel operators are now increasingly looking to return to the tourism industry or substantially increase the costs of using their sites. This puts the City at great risk of losing shelter capacity and increased financial operating pressures given the lack of suitable replacement sites. There is also substantial financial and labour cost to open, close, and/or relocate shelters, which is incredibly disruptive to client wellbeing and their journey toward housing stability. Without strategic and proactive capital planning, the shelter system will continue to be at risk of suddenly losing shelter capacity, creating a pressure to find funding for new shelter spaces.

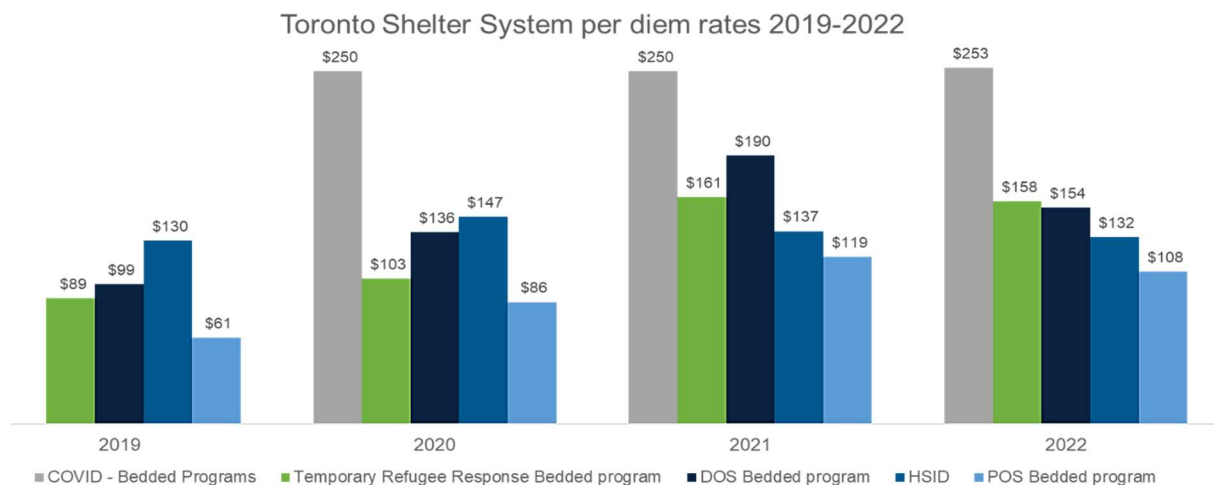
Per Diem Rates and Long-Term Costs

Currently, hotel-based programs are considerably more expensive to deliver than permanent and purpose-built shelter sites. To understand the operating costs across all

shelter program models, SSHA analyzed the per diem rates for all shelter programs from 2019 to 2022. Per diems are the daily amount paid by the City to service providers and other vendors to operate shelters, and include funds for shelter operation, rent, cleaning, security, food, and other services. Program models analyzed include:

- COVID-19 Programs: Temporary shelter locations opened to create physical distancing for clients from pre-existing shelters as part of the City's COVID-19 response;
- Temporary Refugee Response Programs: Bedded shelter programs opened to respond to urgent shelter and support needs of refugee claimants arriving in the city;
- Housing and Shelter Infrastructure Development (HSID): Shelter expansion sites intended to count toward the 1,000-bed project. HSID sites included additional operating funding to support an updated shelter service model, and meet Accessibility Guidelines and the updated [Shelter Design and Technical Guidelines](#);
- Directly Operated Shelter (DOS) Programs: City-owned and operated shelters; and
- Purchase of Service (POS) Programs: Community agencies funded by the City of Toronto through purchase-of-service agreements to operate shelters.

Figure 1: Toronto Shelter System Per Diem Rates (2019 - 2022)



In comparing the per diem rates from 2019 to 2022 across all shelter programs, the per diem cost to operate COVID-19 bedded programs in temporary hotels were substantially higher than all other shelter program models (see Figure 1).

Table 1: Potential Cost-Savings of 80-Bed Purpose-Built Shelter vs. Hotel Program

Site Type (80-Bed)	Per Diem	1 Year	3 Years	5 Years	10 Years	20 Years
COVID-19 Hotel	\$253	\$7.4 million	\$22 million	\$36.9 million	\$73.9 million	\$147.8 million
New Purpose-Built Shelter Site	\$126	\$3.7 million	\$11 million	\$18.4 million	\$36.8 million	\$73.6 million
Potential Cost-Savings	\$127	\$3.7 million	\$11 million	\$18.5 million	\$37 million	\$74.2 million

After the initial capital cost for acquiring and construction of shelter sites, the average per diem cost to operate a new 80-bed purpose-built shelter, in-line with the New Shelter Service Model approach [adopted by City Council in 2017](#), is \$126 per person per night. Meanwhile, the average per diem cost to operate a temporary hotel site is \$253, which is almost double the cost. In ten years, this translates to a cost-savings of \$37 million per site. 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 community, and can more easily be converted to housing once demand for shelter has stabilized.

In addition to the contractual costs to rent temporary spaces and associated operational funding for each site, there are significant restoration costs for most temporary hotels. Many leased and licensed hotels require the City to restore the premises to as close as reasonably possible the condition prior to shelter occupancy, subject to reasonable wear and tear. Restoration costs are negotiated with the site operator and can vary depending on site conditions, with restoration costs typically increasing the longer a temporary site is in operation.

Estimated Capital Costs Related to Shelter Development

For new purpose-built shelters, capital costs associated with developing new sites include property acquisition, site design, consultation and construction, fit-up, and other expenses. The cost for new shelter development has increased from previous years due to inflation and increasing costs of construction equipment and materials.

Property acquisition costs can vary depending on the specific area of Toronto. Generally, the cost of property in the downtown core is higher than in the suburbs. Project acquisition cost estimates for 2023 are between \$8 million and \$22 million. Acquisition costs can be kept lower by utilizing existing City-owned properties as well as properties outside of more expensive areas.

The costs for shelter design, construction and fit up can also vary. Site design costs average between \$2.5 million and \$3.5 million. Construction and consultation costs are estimated between \$17.5 million and \$22.5 million. Fit-up and additional expenses are

approximately \$250,000 per site. The total capital cost estimate for new purpose-built shelter development can vary between \$19.8 million and \$41.8 million depending on site location, size and programming needs.

While the initial cost for the development of a new 80-bed purpose-built shelter is higher, these purchased, purpose-built sites produce substantial operational cost-savings in the long-term. Over a ten-year period, the cost of leasing temporary COVID-19 hotels can exceed the cost of developing a longer-term purpose-built shelter site. For City-owned sites, if shelter demand stabilizes, the property remains available to the City to repurpose for other services including housing.

Housing Responses to Date

At a time when shelter demand is growing at unprecedented rates, investments in both housing and shelter projects are critical to helping people who are in immediate need of shelter, and helping more people transition out of the shelter system permanently into housing than are entering homelessness.

Investment in Housing

On September 30, 2020, City Council established the [24-Month COVID-19 Housing and Homelessness Recovery Response Plan](#), which aimed to expedite the delivery of permanent affordable and supportive housing to provide shelter relief with a target of creating 3,000 affordable and supportive homes, including 2,000 supportive homes and 1,000 housing opportunities in two years. On October 27, 2020, City Council also adopted Item [EC16.1](#) which included the Final Report, [COVID-19 Interim Shelter Recovery Strategy: Advice from the Homelessness Service System](#). Since the adoption of these reports, the City has worked with partners across the government, Indigenous and non-profit sectors on strategies to expedite the creation of housing opportunities for people living in the shelter system and prevent entries to homelessness.

Because of contributions and partnerships of all levels of government, and advocacy of the community and non-profit sector, the City has exceeded these housing targets, securing funding for 3,600 new affordable and supportive housing opportunities with almost 2,900 homes completed by the end of 2022. This was possible through a variety of methods and programs, including:

- The Rapid Rehousing Initiative, which provides urgent access to vacant Toronto Community Housing Corporation (TCHC) and Toronto Seniors Housing Corporation (TSHC) units for people experiencing homelessness with additional wrap-around support services;
- New supply programs that support the creation of deeply affordable and supportive housing, such as the Rapid Rehousing Initiative, Modular Housing Initiative, and the Open Door program; and
- The Canada-Ontario Housing Benefit (COHB), which provides a portable benefit for households to secure affordable rental homes in the private market across Ontario.

These efforts were enhanced by the one-time transfer of approximately \$60 million in SSHA capital funding to support rapid supportive housing projects as approved by City Council in [PH19.11 – Emergency Housing Action](#).

Several other City actions have been taken since the onset of the pandemic to create pathways out of homelessness, including:

- Changes to the RentBank program, including making it permanent and converting it from a loan to a grant-based approach, to enhance financial support to households in rental arrears and prevent evictions (the program supported 2,285 households in 2022 to preserve their tenancy);
- Expanding the Eviction Prevention in Community (EPIC) program, including doubling its service level in 2023 (since its inception the program has supported over 3,500 people to remain housed and avoid accessing emergency shelter); and
- Adopting new local priority rules for accessing rent-g geared-to-income (RGI) housing through the centralized waitlist in July 2022, meaning one in five RGI vacancies will now be offered to applicants experiencing homelessness (up from one in seven).

Through these investments and initiatives, the City is making 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, supportive, and RGI housing) from January 2020 to November 2022. 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.

Despite the number of people moved into housing through these investments and strategies, the number of people experiencing homelessness continues to grow.

Shelter Hotels and Supportive Housing Development

Based on the costs of procurement of hotels for single occupancy use, it is better to invest in permanent housing solutions to provide single occupancy spaces. In alignment with the recommendations in the [COVID-19 Interim Shelter Recovery Strategy report](#), the City has purchased hotels for use as affordable and supportive housing. This includes:

- In 2021, the City purchased property at 4626 Kingston Road, previously a motel, for conversion into affordable housing. The site opened in July 2022 and includes 22 newly renovated affordable homes that will provide 24/7 on-site supports for tenants. The site will also host a new five-storey modular building that will create 64 additional affordable and supportive homes;
- In 2021, the City purchased property at 222 Spadina Avenue, previously used as a temporary COVID-19 shelter, for conversion into 84 housing units with supports. The site opened in May 2023; and
- In 2022, the City purchased the hotel at 65 Dundas Street East to create affordable and supportive housing. 65 Dundas Street East was being leased by the City of Toronto for use as a temporary shelter program. A range of approximately 280 affordable and supportive homes will be completed in phases, with the first set of units to be complete in early 2024.

By continuing to invest in supportive housing development, the City will support people experiencing homelessness to permanently exit the shelter system into housing. Collaboration with and support from other levels of government will be essential in this work.

Homelessness Services Capital Infrastructure Strategy (HSCIS)

The 2024-2033 Homelessness Services Capital Infrastructure Strategy (HSCIS) has been developed to proactively inform the City's capital spending decisions to promote recovery and stability in the City's shelter system. The HSCIS outlines how the City will meet short, medium, and long-term goals to transition from an emergency focused COVID-19 response to a long-term, proactive approach to capital planning for Toronto's shelter system. The first of its kind for SSHA, the HSCIS focuses on the physical spaces and places where homelessness services are delivered. It will help the City of Toronto ensure existing shelter infrastructure is well-designed, efficiently managed, resilient, and in a state of good repair (SOGR). It will also ensure new spaces are proactively acquired and thoughtfully designed to enhance safety and dignity, and to meet the needs of Toronto's diverse homeless population while being well integrated into the surrounding community. The HSCIS will work in alignment with the [Shelter Design and Technical Guidelines](#), [Homelessness Solutions Service Plan](#), [HousingTO 2020-2030 Action Plan](#) and other City-wide strategies.

The key goal for the HSCIS is to maintain shelter capacity by offsetting capacity losses in the system due to planned COVID-19 hotel site closures, and moderately growing shelter capacity in areas where there is significant need (families, youth, and Indigenous peoples). SSHA will work collaboratively with CreateTO and Corporate Real Estate Management (CREM) on acquiring new permanent and long-term shelter sites to replace temporary sites, and stabilizing the existing temporary site portfolio over the medium-term until permanent solutions are available. Over the long term, the HSCIS recommends gradually transitioning from 41% permanent and long-term shelter spaces towards 60%, while also ensuring existing shelter sites are in a state of good repair to prevent service disruptions. New spaces added to the shelter system through the HSCIS will help address immediate pressures on the shelter system. In addition to these new shelter spaces, and in alignment with previously approved approaches, it's essential that the City also continue to develop supportive housing to help people experiencing homelessness permanently leave the shelter system for housing.

A corresponding work plan will be developed to ensure the implementation of the actions in the HSCIS in collaboration with shelter operator partners, community partners such as the Toronto Shelter Network (TSN) and the Toronto Alliance to End Homelessness (TAEH), City divisions such as the Housing Secretariat, CREM, CreateTO and City Planning, and other interested and affected parties. The HSCIS is a ten-year strategy, but will be reviewed again in five years to ensure it meets the evolving needs of people experiencing homelessness. Subsequent iterations of the strategy will be developed through ongoing consultation with these key partners to guide capital spending beyond the years covered in this first version of the HSCIS. Annual updates on the HSCIS will be provided to City Council through the Shelter Infrastructure Plan.

The HSCIS is included as Attachment 1.

HSCIS Development

To help inform the HSCIS, Smoke Architecture, an Anishinaabeg owned and operated consultant firm, led and facilitated 18 sessions held on a wide range of topics with staff from across SSHA, CREM, CreateTO, Fleet Services, Housing Secretariat, Toronto Police Services, and shelter operators across the city. The HSCIS was also presented to the Toronto Indigenous Community Advisory Board (TICAB).

Six Foundational Goals emerged through the development of the HSCIS that guide how SSHA can address long-term infrastructure challenges in the shelter system. The City is committed to ensuring work to achieve each goal be done through the lens of reconciliation and confronting anti-Black racism.

The [COVID-19 Interim Shelter Recovery Strategy: Advice from the Homelessness Service System](#) report, released in September 2020, served as a guide for the City's homelessness sector to respond to the COVID-19 pandemic and implement immediate priorities in the system. The recommendations in this report have been considered in the development of the HSCIS. This includes working together with Indigenous providers to co-develop Indigenous-centred responses and improve access to safe spaces and culturally appropriate services. This also includes ensuring the needs and experiences of Black clients are considered during shelter infrastructure planning, including in temporary site closures and when developing new spaces.

The COVID-19 Interim Shelter Recovery Strategy also highlighted the need for sector-specific solutions that respond to the unique experiences of diverse shelter clients. Through the HSCIS, capacity pressures will be addressed in areas with significant programming needs, including for families, youth, and Indigenous peoples experiencing homelessness. The creation of Black-led shelter spaces will also be explored through the HSCIS to provide culturally appropriate services for Black people experiencing homelessness.

HSCIS Foundational Goals

- 1) Plan Proactively and Prioritize Long-Term Infrastructure Needs* through long-term financial planning, proactive winter planning, thoughtful COVID-19 transition plans, and standardizing and strengthening practices around State of Good Repair (SOGR) projects and procurement.
- 2) Create Infrastructure that Fosters Dignity and Wellbeing* of shelter residents, staff, and the community by investing in permanent and long-term, purpose-built shelter space with updated guidelines, safety features, co-located services, and program management and wellness spaces.
- 3) Provide Resilient and Sustainable Infrastructure* by working towards achieving Net Zero in shelters, exploring environmentally sustainable fleet options, and ensuring contingency plans are in place to avoid service disruptions in emergencies.
- 4) Strengthen Communications and Community Relationships* for infrastructure projects by clarifying roles and responsibilities in community engagement

processes, providing community learning and training opportunities, and ensuring engagement plans address discrimination towards equity-deserving groups.

5) *Clarify Responsibilities, Authority and Decision Making* to manage infrastructure resources more effectively by strengthening the [Emergency Shelter Development Process \(ESDP\)](#) and bringing the management of assets and properties within the shelter portfolio together to create better interdivisional alignment and outcomes.

6) *Strengthen the Collection, Management, and Analysis of Infrastructure Data* to improve awareness and understanding of shelter infrastructure performance and needs, assess the impact of shelter design on shelter clients, more efficiently manage capital infrastructure and related assets, and learn from other jurisdictional approaches.

Other Jurisdictional Investments in Shelter Infrastructure

The importance of investing in shelter infrastructure is also recognized by other municipalities in North America. New York City's Ten-Year Capital Strategy (2024-2033) allots 809.2 million USD for the Department of Homeless Services to rehabilitate existing facilities, enhance health and safety measures, and update IT networks. Chicago's Shelter Infrastructure Initiative (2022-2024) includes up to 70 million USD for shelter renovations and acquiring new facilities to sustain current shelter bed capacity and replenish lost bed capacity to pre-COVID levels or beyond based on system-wide needs.

Housing First and Wrap-Around Shelter Services

SSHA is committed to a Housing First approach that is data informed and tailored to the needs of people experiencing homelessness. Housing First focused services will continue to be provided at all shelters, including new HSCIS sites, and are aimed at helping people find permanent housing as quickly as possible with the supports they need to live as independently as possible. Wrap-around supports such as harm reduction, primary health care, and mental health supports and case management will also be available at all shelter sites. In addition, plans will be made to co-locate shelter, housing and other municipal services through the HSCIS, and SSHA will work closely with housing partners to support people experiencing homelessness transition into housing. This approach is aimed at moving people out of chronic homelessness, and helps ensure homelessness is rare, brief, and non-recurring.

Shelter Design and Technical Guidelines

The [Shelter Design and Technical Guidelines](#), released in 2021 and updated in July 2023, identify best practice design guidelines for new and renovated shelters in Toronto. Recommendations in the Guidelines focus on promoting dignity, comfort and choice for clients, and span a broad range of areas from design principles to functional components of the building, environmental design, and materials and finishes. The Guidelines emphasize design features that increase client privacy while promoting a mix of different room sizes and fewer large congregate dorms, including smaller sleeping

rooms. The Guidelines are intended to enhance positive outcomes for all shelter clients as well as staff, visitors and the surrounding community in new and renovated shelters, and will be reviewed and updated periodically based on ongoing consultation with shelter clients and other interested and affected parties. These Guidelines will be followed through the process of new shelter development as part of the HSCIS.

Emergency Shelter Development Process

Given that the shelter system is currently turning away hundreds of people seeking shelter each day, it's crucial that the City ensure the capital planning and investment under HSCIS lead to the creation of permanent and long-term shelter spaces as quickly and with as few barriers as possible, while exercising due diligence and abiding by principles of transparency, accountability, and fairness. This will prevent loss in shelter capacity and support faster access to needed shelter space for those experiencing homelessness. The longer it takes to create these permanent and long-term shelter spaces, the more expensive and challenging it will be for the City to meet the needs of people experiencing homelessness. SSHA will work closely with partners in CREM, CreateTO and other City Divisions to expedite the development of these properties where possible.

Created to meet the pressure to quickly acquire and develop shelters, the Emergency Shelter Development Process (ESDP), approved by City Council on December 5, 2017 through [CD24.7 - 2018 Shelter Infrastructure Plan and Progress Report](#), strengthens the City's ability to successfully and quickly secure properties in Toronto's competitive and fast-moving marketplace through a more efficient shelter development process. Authority was given to senior City staff to approve specific sites for emergency shelters following the ESDP, provided that

- a. the funding for these sites is within the capital and operating budgets approved by City Council;
- b. the shelter project has been approved by Council through the annual shelter infrastructure plan; and
- c. the location meets the requirements of the Municipal Shelter Bylaw 138-2003 and applicable zoning by-laws.

The implementation of the HSCIS plan will continue to utilize the Emergency Shelter Development Process to support the City's ability to complete its due diligence while still being able to meet the pressure to quickly acquire and develop shelters.

Community Engagement and Integration

Investing in permanent and long-term, smaller, purpose-built shelter spaces through the HSCIS will not only add more stability and capacity to the system, but will also ensure shelters are better integrated into local communities. Smaller and longer-term sites can facilitate environments where issues can be addressed more proactively through ongoing engagement activities with the local community. SSHA is committed to continuing to conduct site-specific engagement for new shelters, as directed by City Council through CD19.6 "[Proposed New Engagement and Planning Process for Emergency Shelters](#)." By clearly communicating project information and encouraging solution-focused discussions, this engagement shifts discussions focused on shelter

location to how communities can provide feedback and improve the successful integration of the new shelter service into the community, paving the path toward deeper and more positive and supportive community relationships.

Long-Term Shelter Infrastructure Plan

With proactive and long-term planning, the HSCIS will provide solutions to transition the shelter system from current COVID-19 pandemic responses to a well-planned system that is more sustainable and better prepared to address capacity pressures. This includes the creation of approximately 1,600 spaces in the shelter system between 2024 and 2033 to replace COVID-19 hotels, moderately grow the shelter system, and increase the stability of the City's shelter system. This will also allow the creation of permanent flex space for state of good repair (SOGR) work that necessitates client relocations and future emergencies. The recommended approach is estimated to cost \$674.5 million over a ten-year period (2024 - 2033) but achieve significant operating costs savings, allowing for additional opportunities to support more people experiencing homelessness in the long-term. SSHA is committed to continuing to work collaboratively with shelter operator partners to deliver essential services for people experiencing homelessness and will co-develop work plans with these partners to implement the HSCIS.

The long-term plan includes moving away from solutions mobilized during the pandemic that are becoming increasingly costly and challenging options for the long-term sustainability of Toronto's shelter system. Instead, the focus is on longer-term, purpose-built, smaller sites, in alignment with the [Shelter Design and Technical Guidelines](#), that can be more accessible, safer, more responsive to the diverse needs of shelter clients and the surrounding community, and more easily converted into housing in the future. Over the long-term, the goal is to increase the proportion of permanent sites in the shelter system to 60% (from 41%).

The majority of shelter spaces being developed as part of the HSCIS will be to replace temporary COVID-19 hotel sites with permanent and long-term spaces. These temporary COVID-19 sites are at risk of being lost due to approaching lease end dates and decreased willingness from hotel providers to continue to lease to the City. Investing in permanent and long-term spaces will help maximize resources that will facilitate additional opportunities to support people experiencing homelessness. It will also allow SSHA to transition individuals to smaller sites that are purpose-built and can better meet the needs of shelter residents while integrating the service into the existing community. This work will include creating 1,280 spaces in up to 16 sites in the base shelter system.

The HSCIS also recommends expanding shelter system capacity and responding to sector specific needs through the addition of 240 new spaces in the system. Additional shelter capacity will be achieved through the development of three (3) shelter sites for families, youth, and Indigenous peoples experiencing homelessness. All three (3) expansion sites for development will start in 2024 and are anticipated to be open by 2026. There are demand pressures to expand capacity in these three sectors.

- Families: The number of families waiting to access family shelter services has seen a significant increase, with an average of 386 families on the Central Intake family placement wait list in September 2023.
- Youth: The [2021 Street Needs Assessment](#) highlighted that 11% of people experiencing homelessness are youth. There are insufficient youth shelter spaces resulting in youth being admitted into adult shelter sites. 2SLGBTQ+ youth are overrepresented in homelessness but underrepresented among those accessing shelters due to hidden homelessness, stigma, discrimination, and safety concerns within traditional shelter spaces and programs.
- Indigenous peoples: The [2021 Street Needs Assessment](#) found that Indigenous peoples make up 2.5% of the Toronto population, yet make up 15% of people experiencing homelessness. This is even more significant for Indigenous peoples staying outdoors (23%).

Throughout the implementation of the HSCIS, SSHA will continue to assess and respond to other sector-specific needs, including consulting with the Black community and creating safe spaces for Black queer and trans youth as well as Black women within existing shelters, and exploring the creation of Black-led shelters.

In addition, a key focus will also be on developing one (1) new permanent flex site with 80 spaces. Flex sites serve as a critical resource to help plan for and support SOGR work that necessitates the relocation of clients, and other potential future emergencies. Flex sites help prevent service disruptions amidst these transitions, relocations and emergencies.

The additional beds requested in this report will help address key issues in the shelter system. At the same time, there is a fundamental need to continue to invest in housing to help transition people out of the shelter system permanently. Investments in both housing and shelter projects are critical to helping people who are in immediate need for shelter, while also creating sustainable and long-term solutions for people experiencing homelessness.

Table 1 and 2 in Attachment 2 summarize the HSCIS shelter system capacity increases over the next ten years (2024 - 2033), outlining the yearly net total of new sites and spaces created in the system.

2024 Shelter Infrastructure Plan and Updates

The 2018 Shelter Infrastructure Plan was [approved by City Council in December 2017](#) and established a new process for approving shelter locations. An annual Shelter Infrastructure Plan is now presented to Council to provide a progress update and approve plans for the following year. The annual plan also provides a progress update on new shelter sites as part of the George Street Revitalization (GSR) project and replacement properties for existing shelters that need to relocate, as well as updates on the [COVID-19 Shelter Transition and Relocation Plan](#).

As directed by Council through Report [PH19.11 – Emergency Housing Action](#), approximately \$60 million of funding was shifted from the HSID projects and the GSR Transition Budget to the Housing Secretariat to create new permanent affordable

housing with supports for people experiencing homelessness. The Housing Secretariat has utilized these funds to advance nine (9) affordable and supportive housing developments, contributing to creating over 620 new permanent homes with supports. These funds have also helped to complement and optimize federal capital funding programs, including the Rapid Rehousing Initiative, to exceed minimum targets set by the federal government and create as many new homes as possible. The shift of this funding away from the shelter system, however, led to the reduction of approximately 215 Housing and Shelter Infrastructure Development (HSID) shelter beds and 53 GSR shelter beds being created.

Housing and Shelter Infrastructure Development (HSID)

In 2018, in response to increased demand for shelter services, City Council directed SSHA through [EX31.2 "2018 Capital and Operating Budgets"](#) to expand the number of permanent new shelter beds in Toronto by 1,000. Through the identified need to create more housing opportunities, in 2020 this funding was changed to include both housing and shelter projects and the 1,000 Beds Project was renamed the Housing and Shelter Infrastructure Development (HSID) Project.

Through HSID, seven (7) new shelter sites with 680 beds will be in operation by the end of 2023, with an additional 75 shelter beds currently in development. The City also used funding from HSID to create 200 temporary shelter beds to increase capacity in the system while permanent spaces are being developed, and 300 spaces through three (3) 24-hour respite sites in sprung structures. One planned shelter site was opened instead with 33 rooms of supportive housing (257 Dundas St E.). The 2024 relocation of the Women's 24/7 Drop-In to 233 Carlton St is also supported through HSID funding. Despite the increase in shelter space created through HSID, shelter demand remains high and the need for additional shelter infrastructure remains critical for the future of the City's shelter system.

George Street Revitalization (GSR)

The City of Toronto is revitalizing George Street to integrate services for vulnerable people and the broader community. The George Street Revitalization (GSR) project seeks to redevelop the current Seaton House men's shelter program and ensure individuals experiencing homelessness have programming and services which support their needs.

To date, three (3) shelter programs have opened as part of the GSR project and Seaton House Transition Plan. These programs have shifted 173 beds from Seaton House to sites in neighbourhoods across the city. There are two (2) remaining shelter programs to be opened. One site is expected to be in full operation by the end of this year (76 Church St.). A target date to begin the development of the last site (2299 Dundas St. W) is expected shortly.

Table 1 and 2 in Attachment 3 summarize the upcoming new shelter sites within the GSR and HSID projects.

New HSCIS Shelter Projects

As part of the first step of the HSCIS, SSHA will be seeking to secure five (5) sites in 2024 for long-term shelter use.

Three (3) sites will be secured to moderately expand shelter system capacity and respond to sector specific needs for space in the families, youth, and Indigenous sectors, as described above. The 2024 budget request for these three (3) new purpose-built expansion sites will include site acquisition costs, site design, construction, fit-up, and other expenses. The 2024 budget will also include requests for two (2) new purpose-built sites to continue the strategic transition out of temporary COVID-19 hotel sites, and will include costs for site acquisition, site design, construction, and fit-up expenses. Construction timelines for these sites should be accelerated where possible in efforts to meet shelter demand more quickly in the short-term, and maximize resources that will help facilitate additional opportunities to support more people experiencing homelessness in the long-term.

SSHA will work collaboratively with partners to establish the best way to operate these sites. New shelter projects will include the launch of a Request for Proposal (RFP) process to award site operators for each new shelter site. The RFP will provide funding to the successful shelter operator and ensure they are able to inform design decisions early in the development process. SSHA will engage these partners to collaboratively develop work plans for the HSCIS implementation.

Additional Infrastructure Projects

As noted in the Shelter System Pressures and Responses report, further priorities for the HSCIS include the addition of spaces for the winter season (2023 - 2024), where the City will seek multi-year licenses and agreements for winter sites.

COVID-19 Shelter Transition and Relocation Plan Update

The [COVID-19 Shelter Transition and Relocation Plan](#) was approved by City Council on April 6, 2022, recommending a thoughtful, phased approach to support a gradual transition out of temporary COVID-19 shelter sites, including the continued use of most sites, where possible. City Council subsequently approved phase 2 of the work plan in February 2023. This report provides an update on phase 2 of the work plan and outlines next steps for phase 3 of the plan in 2024.

This work will be integrated with the HSCIS approach to transition from an emergency-focused COVID-19 response to a long-term, proactive approach to capital planning for Toronto's shelter system.

Update on Phase 2

Council approved the closure of up to five (5) temporary shelter sites in 2023, with a focus on moving people into permanent housing wherever possible. To date, a total of five (5) sites were closed over the course of 2023, including 56 Yonge Street, 92 Peter Street, 808 Mount Pleasant Road, 376 Dundas Street East and 60 York Street. In

addition to the preceding closures, there were additional transitions within the temporary COVID-19 portfolio, including:

- 65 Dundas Street East, which the City acquired in 2022 to create a range of deeply affordable and supportive homes. This site is gradually decreasing occupancy to enable renovations to take place;
- 4584 Kingston Road which underwent a program mandate change, converting from an adult serving site to a relocation site for one of the youth programs from 60 York Street; and
- Two final sites which were realigned from the temporary COVID-19 temporary site portfolio in 2023, where 5800 Yonge Street was realigned to the refugee system, and 76 Church Street was realigned to support the George Street Revitalization project.

Housing Supports for Temporary COVID-19 sites impacted by the Transition Plan

As temporary sites are closed, efforts are made to provide as many residents as possible with permanent housing opportunities and referrals to other shelter sites, where needed. Table 2 shows client outcomes, including housing, for the sites closed in 2023 as part of the COVID-19 Transition and Relocation Plan.

Table 2: Client Outcomes for Site Transitions in 2023

Site Address	Housing	Shelter Referral	Unknown Location	Health or Correctional Facility	Deceased
376 Dundas St E	68.0%	20.0%	12.0%	0%	0%
56 Yonge St	20.0%	72.7%	7.3%	0%	0%
92 Peter St	31.0%	69.0%	0%	0%	0%
808 Mt Pleasant Rd	20.3%	64.5%	13.8%	1.4%	0%
60 York Street	30.9%	57.9%	11.2%	0%	0%
Total	29.0%	62.6%	8.1%	0.3%	0%

Housing workers at each site collaborated with SSHA housing counsellors to support residents to complete required documentation and applications. In 2023, SSHA also partnered with the Housing Secretariat's Access to Housing office to expedite 158 applications for processing to optimize residents' ability to make use of available housing allocations, prior to site closures. Many of the housing outcomes were made possible with the support of Rapid Rehousing Initiative units and supportive Prioritized Access to Housing with Supports (PATHS) units provided through Coordinated Access' prioritized housing process.

Despite these additional supports, only approximately one in four residents were discharged to housing upon closure/relocation of their temporary shelter site. The remaining residents were provided with options for a shelter referral. This is attributable to several factors common across the shelter system, including the ongoing shortage of affordable housing across Toronto. Despite additional investments and actions explained in this report under the [HousingTO 2020- 2030 Action Plan](#), housing supply and housing affordability are expected to continue to be a challenge across the city for the immediate future and for the remainder of the COVID-19 Transition and Relocation Plan. Further, many of the housing and shelter referrals that did occur were only made available due to SSHA prioritizing the majority of its housing resources to these hotel closures, as well as changes to physical distancing requirements that were introduced in 2023 which resulted in an increase in the number of shelter spaces. While these supports increased capacity in 2023, they will not be able to be replicated as a way to address shelter system pressures in future years.

In order to address future temporary site closures, long-term strategic planning will be required to execute longer-term contracts/leases and improve the City's ability to negotiate favourably. Similarly, the HSCIS contains proposals for capital investment in the shelter system that could, if approved, provide replacement capacity for sites closed as part of the COVID-19 Transition and Relocation Plan, however the first of these new sites will likely not be completed and ready to host programs until 2025-2026. For that reason, a more measured approach to contracting is recommended to support the realities of the capacity challenges contained within the Transition Plan. This includes continuing to invest in rent supplements and housing allowances such as the Canada-Ontario Housing Benefit (COHB), as well as supportive housing units and social housing units with supports to assist in transitioning shelter clients into housing.

Phase 3: Plan to extend temporary shelter locations

As of September 2023, there are 17 temporary shelter sites supporting the City's emergency COVID-19 response, including 16 hotels. CREM, CreateTO and SSHA have begun a review of the existing hotel lease and short-term contract shelter portfolio in order to develop a plan to align the timelines of these sites with the new sites identified through the HSCIS. Stabilizing the hotel lease and short-term contract shelter portfolio over the medium-term will allow SSHA to strategically plan for closures and effectively manage pressures created through site closures. CREM will report to Council in early Q1 2024 with the particulars of these agreements and their terms.

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ATTACHMENTS

Attachment 1 - Homelessness Services Capital Infrastructure Strategy (HSCIS, 2024-2033)

Attachment 2 - Homelessness Services Capital Infrastructure Strategy 10-year Plan (2024-2033)

Attachment 3 - 2024 Shelter Infrastructure Plan for the Housing and Shelter Infrastructure Development (HSID) and George Street Revitalization (GSR) projects

Attachment 4 - Homelessness Services Capital Infrastructure Strategy 10-year Budget (2024-2033)

Attachment 2: Homelessness Services Capital Infrastructure Strategy 10-Year Plan (2024-2033)

Table 1 and Table 2 provide details of the number of new shelter sites (Table 1) and new shelter spaces (Table 2) forecasted to open for new HSCIS projects between 2024 and 2033. This plan aims to open up to 20 sites of 80 beds (1,600 beds total) over a ten-year span, with a total estimated cost of \$674.5 million.

Table 1: Forecast of Shelter Sites Opening (New Projects), 2024-2033

	New Permanent (HSCIS)	Flex Site	Expansion Sites	Total by Year
2024				
2025				
2026	3		3	6
2027	2	1		4
2028	1			1
2029	4			4
2030	2			-
2031	2			3
2032	1			2
2033	1			1
Total by Category	16	1	3	20 sites

Table 2: Forecast of Shelter Spaces Opening (New Projects), 2024 – 2033

	New Permanent (HSCIS)	Flex Space	Expansion Spaces	Total by Year
2024				
2025				

	New Permanent (HSCIS)	Flex Space	Expansion Spaces	Total by Year
2026	240		240	480
2027	160	80		320
2028	80			80
2029	320			320
2030	160			-
2031	160			240
2032	80			160
2033	80			80
Total by Category	1,280	80	240	1,600 Spaces

Attachment 3 - 2024 Shelter Infrastructure Plan for the Housing and Shelter Infrastructure Development (HSID) and George Street Revitalization (GSR) projects

Table 1 highlights the number of spaces forecasted to open specifically for the approved Housing and Shelter Infrastructure Development (HSID) and George Street Revitalization (GSR) projects between 2023 and 2025. Table 2 provides an update on addresses of sites and number of beds included in the HSID and GSR projects.

Table 1: Forecast of Shelter Site Openings by Year, 2023-2025

	GSR	HSID	Rep	Total by Year
2023	1			1
2024			1	1
2025	1	1		2
Total by Category	2	1	1	4

Table 2: Update on HSID and GSR projects by address, 2023 - 2025

	Address	Project	HSID	GSR	Rep	Program	Lease/Own
2023	76 Church St	GSR		67		Men	COT, City Leased
2024	233 Carlton St	Rep			28	Women	POS, City Leased
2025	2299 Dundas St W	GSR		80		Men	COT, City Owned
2025	67 Adelaide St. E.	HSID	75			Indigenous	POS, City Owned
Total			75	147	28	250	

- HSID: Includes all new beds intended to count toward the 1,000-bed objective
- GSR: Counts sites opening in the George Street Revitalization project
- Rep (replacement): Counts all replacement beds for shelters that are relocating
- POS: Refers to community agencies funded by the City of Toronto through purchase-of-service agreements
- COT: Sites owned and operator by the City of Toronto

Attachment 4 - Homelessness Services Capital Infrastructure Strategy 10-year Budget (2024-2033)

Table 1: New Capital Projects

Particulars	Total (\$ in million)	# of spaces
New Permanent Shelters	546.8	1,280
Flex Space	25.2	80
Shelter Expansion Sites	102.5	240
Total Costs	674.5	1,600

Table 2: Operating Impact of Capital for Operation of New Sites

Particulars	Total (\$ in million)
Total operating costs for new capital project sites	498.5
Less: savings from closure of COVID-19 sites	(685.8)
Net Estimated Savings	(187.3)