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Date April 10, 2024 **Report No.** 2024-228

To Chair and Members
Social Services Committee

From Brian Hutchings
Chief Administrative Officer
Acting Commissioner Community Services and Social Development

1. Type of Report

Consent Item ☒ [X]
Item For Consideration ☐ []

**2. Topic Financial Funding Sources for Housing Stability
(Homelessness) Programs [Financial Impact: None]**

3. Recommendation

- A. THAT Report 2024-228 Financial Funding Sources for Housing Stability (Homelessness) Programs BE RECEIVED; and
- B. THAT the City Clerk BE DIRECTED to forward a copy of the final resolution and staff report to the County of Brant.

4. Executive Summary

The City of Brantford is the designated Service Manager for Housing and Homelessness for the City of Brantford and the County of Brant.

The Housing Stability Division within the Housing and Homelessness Services Department of the City of Brantford is responsible for administering the homelessness budget. This budget receives revenue from the County and City

as per the Shared Social Services Agreement and grant funding from provincial and federal sources.

County and City budgets are approved annually on a calendar basis while provincial and federal grant funding is allocated by Fiscal Year.

The 2024 homelessness services budget is comprised of:

Table 1 - Homelessness Services Budget

Funding Source	Funding Amount	Percentage of Budget
Homelessness Prevention Program Provincial Funding (FY 2024-2025 planned allocation)	\$4,328,700	68%
Reaching Home Federal Funding (FY 2024-2025 planned allocation)	\$1,085,628	17%
City Contribution (2024 shared services budget)	\$686,815	11%
County Contribution (2024 budget)	\$263,137	4%
TOTAL	\$6,364,280	100%

These funds support core homelessness services including the emergency sheltering system (intake, emergency shelters, motels, and, system oversight), the Housing-Bylaw encampment response team, the Housing Stability Worker program, the Housing Resource Centre, Housing Stability Fund, homelessness programs that provide basic human needs such as shower/hygiene services, and staffing positions that ensure that the system runs effectively, efficiently, and with a continuous quality improvement approach.

These programs and services provide the foundation of support for local homelessness response.

5. Purpose and Overview

The purpose of this report is to provide Social Services Committee information on the various funding sources utilized for housing stability and homelessness programs.

6. Background

The City of Brantford is the designated Service Manager for Housing and Homelessness for the City of Brantford and the County of Brant.

Financial funding of the homelessness budget comes from a mix of Fiscal Year funding pockets from federal and provincial sources alongside tax levy funding which runs with the City-County annual cost-shared budget as detailed by the Shared Social Services Agreement of November 26, 2021.

The non-concurrent funding streams results in disjointed funding and reporting cycles. The information contained in this report outlines the various homelessness funding sources and how those funds are being maximized locally.

6.1 Homelessness Prevention Program (HPP)

The Homelessness Prevention Program (HPP) is a provincial funding stream designed to support Ontarians that are homeless or are at risk of experiencing homelessness to obtain and/or retain housing and support services. Report 2023-296 *Homelessness Prevention Program Funding* provided a synopsis of this grant funding stream.

The HPP was launched April 1, 2022 as a consolidation of three programs:

- Community Homelessness Prevention Initiative (CHPI);
- Strong Communities Rent Supplement Program (SCRSP); and
- Home for Good Program (HFG).

The intent of consolidating these three programs was to increase individual municipalities' flexibility in addressing chronic homelessness and providing greater flexibility to support a wide range of homelessness prevention and supportive housing activities.

The planning allocations for HPP starting with the 2023-24 Fiscal Year (FY) are based on a new HPP funding allocation model that responds to the recommendations from the office of the Auditor General of Ontario (OAGO)

Value for Money Audit of Homelessness (2021)¹ and feedback from consultations with Service Managers (SMs) and sector partners.

The HPP funding model has been refreshed to use indicators that better reflect the current need for homelessness services and supportive housing in each community using the most current available data. Updated indicators are:

- Number of people experiencing homelessness;
- Deep core housing need;
- Number of supportive housing units;
- Low income measure;
- Indigenous population; and
- Youth population.

Figure 1 - Summary of HPP Funding Model Components

Summary of Funding Model Components

Indicator	Description	Source	Proportion
Number of people experiencing homelessness	Service Manager share of individuals who are homeless or in an emergency shelter based on the Social Assistance caseload (3-year average of the most recent data from 2019-20 through 2021-22)	Social Assistance (Ontario Works and Ontario Disability Support Program) caseload data, 2019-20 through 2021-22	40%
Deep Core Housing Need	Service Manager share of households in Deep Core Housing Need (in Core Housing Need and spending more than 50% of income on shelter costs) as defined by the Canada Mortgage and Housing Corporation (CMHC)	2021 Census of Population	29%
Number of supportive housing units	Service Manager share of supportive housing units reported	2021 Supportive Housing Report Back Survey	10%
Low Income Measure	Service Manager share of households that are below the Low Income Measure (before tax) threshold (LIM-BT)	2021 Census of Population	9%
Indigenous population	Service Manager share of Indigenous identity population (including First Nations, Inuit, and Métis)	2021 Census of Population	8%
Youth population	Service Manager share of youth population aged 16-25 years	2021 Census of Population	4%

¹ OAGO Value-for-Money Audit: Homelessness:

https://www.auditor.on.ca/en/content/annualreports/arreports/en21/AR_Homelessness_en21.pdf

OAGA Value-for-Money Audit: Homelessness (Summary Page):

https://www.auditor.on.ca/en/content/news/21_summaries/2021_summary_AR_Homelessness.pdf

Current total HPP funding allocations to the City of Brantford are as follows:

Table 2 - HPP Funding Allocations by Fiscal Year

2023-24	2024-25	2025-26	2026-27
\$7,019,400	\$7,019,400	\$ 7,019,400	\$7,019,400

The 2023-24 HPP Investment Plan (IP) approved by way of [Report 2023-360 Homelessness Prevention Program 2023-24 Investment Plan](#) allocated \$4,166,700 (59%) of the total HPP allocation to the homelessness budget.

Staff are currently drafting the 2024-25 HPP IP which will recommend that 62% of the total HPP funding allocation (\$4,328,700) is allocated to the Housing Stability Division and the homelessness budget.

6.2 Reaching Home Funding

[Reaching Home: Canada's Homelessness Strategy](#) (RH) is a community-based program aimed at preventing and reducing homelessness by providing direct support and funding to Designated Communities (urban centres), Indigenous communities, territorial communities and rural and remote communities across Canada.

The City of Brantford is the designated Community Entity (CE) for the Federal Reaching Home program and is responsible for ensuring that Reaching Home funds are used for activities that contribute to the objectives of the program while reflecting local realities, community needs, and local opportunities.

The federal Reaching Home funding stream compliments the provincial Homelessness Prevention Program funding stream in supporting housing stability programming. Services funded by Reaching Home enhance homelessness program delivery and the emergency sheltering system.

Under the Reaching Home program, the City of Brantford as the Community Entity is required to complete the following three deliverables:

- 50% reduction in Chronic Homelessness by 2027-2028;
- Implementation of Coordinated Access by March 31, 2022 (completed); and
- Implementation of a Homeless Management Information System (HMIS) by March 31, 2022 (completed).

Reaching Home funds activities that contribute to the objectives of the program while reflecting local realities and community needs and opportunities. The eligible activities and expenses are grouped into five categories of activities directed at achieving the program objective of preventing and reducing homelessness:

- Housing Services;
- Prevention and Shelter Diversion;
- Health and Medical Services;
- Client Support Services; and
- Capital Investments.

In 2023, the Government of Canada announced an extension of Reaching Home: Canada's Homelessness Strategy for the years of 2024-2028, allocating a total of \$1.4 billion in additional federal funding to communities. Infrastructure Canada notified the City on November 28, 2023 that the Reaching Home funding agreement will be extended for an additional four years to cover the period from April 1, 2024, to March 31, 2028.

Infrastructure Canada notified the City on November 28, 2023 that the Reaching Home funding agreement will be extended for an additional four years to cover the period from April 1, 2024, to March 31, 2028. Table 1 below represents the funding that has been received to-date, as well as confirmed allocations for FY 2024-25 through to 2027-28.

Not reflected in the chart is one-time top up funding of \$378,799 that was received in December 2023. Infrastructure Canada made available one-time top-up funding to respond to the increased demand for services and supports during winter 2023-24. This funding was used to offset the financial costs of motels during the winter months².

The projected reductions in Reaching Home federal grant funding will significantly impact the ability to deliver effective homelessness programming and services in the City of Brantford and the County of Brant.

² Motels are used as an extension of the emergency sheltering system for individuals and households who cannot be accommodated at an emergency shelter.

Table 3 - Reaching Home Funding Commitments 2019-2028

Fiscal Year	Base Funding	Incremental Funding	Community Capacity & Innovation	Total Reaching Home Funding	Change from previous year + / (-)
2019 – 20	\$ 236,107		\$ 71,180	\$ 307,287	
2020 – 21	\$ 236,107		\$ 61,180	\$ 297,287	(\$ 10,000)
2021 – 22	\$ 287,761	\$ 866,380	\$ 61,180	\$ 1,215,321	\$ 918,034
2022 – 23	\$ 287,761	\$ 803,898	\$ 56,680	\$ 1,148,339	(\$ 66,982)
2023 – 24	\$ 287,761	\$ 791,867	\$ 56,680	\$ 1,136,308	(\$ 12,031)
2024 – 25				\$ 1,085,628	(\$ 50,680)
2025 – 26				\$ 1,085,628	\$ 0
2026 – 27				\$ 344,441	(\$ 741,187)
2027 – 28				\$ 344,441	\$ 0

6.3 Shared Social Services Agreement

Under the Shared Social Services Agreement (SSA), Social Services Committee recommends a draft budget to the City and County Councils for the following calendar year by October 1 of each calendar year. The draft budget is presented to County Council on or before October 31 and the draft budget along with notification of the County position is presented to City Council on or before November 30³. Upon presentation of the draft budget, City Council may either approve or amend (and approve) the draft budget, after giving consideration to the County's position, and such budget thereafter is the "City Approved Budget."

The City Approved Budget is forwarded to County Council no later than December 1. The City Approved Budget for 2024 for homelessness is as follows:

Table 4 - City/County Contribution to Homelessness Budget

City Contribution	\$686,815
County Contribution	\$263,137

As detailed in report 2024-248 *Service Manager Notification – Potential Funding Impact*, the City of Brantford as the designated Service Manager was provided

³ Except in an election year.

by the Ministry of Municipal Affairs and Housing (MMAH) on March 25, 2024 that there may be significant impact in financial funding by MMAH to the Service Manager effective April 1, 2024 as the federal government is considering withholding almost \$355 million in funding from Ontario, and by extension municipal Service Managers, under the National Housing Strategy (NHS).

No further details were provided regarding which financial funding streams would be impacted and by how much.

As a result of this notification, staff have paused finalizing the 2024-25 Fiscal Year Investment Plan (IP) recommendations to Social Services Committee for both Reaching Home (RH) federal grant funding and Homelessness Prevention Program (HPP) provincial grant funding as the full financial impacts to the Service Manager are currently unknown.

Staff were prepared to deliver reports to Social Services Committee in April 2024 with recommendations for consideration regarding the RH and HPP IPs and will bring them forward once additional information regarding impacts to funding are confirmed by MMAH and IP recommendations are finalized.

7. Corporate Policy Context

This report supports:

City of Brantford Council's 2023-2026 Strategic Theme 6 (b): invest in a long-term strategy and plan to manage the homelessness crisis, inclusive of the related issues of mental health and addiction issues and safety and security concerns.

[Count of Brant Strategic Plan 2019 – 2023](#), Strategic Priority 5, Healthy, Safe, and Engaged Citizens

[Brantford-Brant Housing Stability Plan \(2014-2024\)](#)

8. Input from Other Sources

City of Brantford – Finance
Infrastructure Canada (INFC)
Ministry of Municipal Affairs and Housing (MMAH)

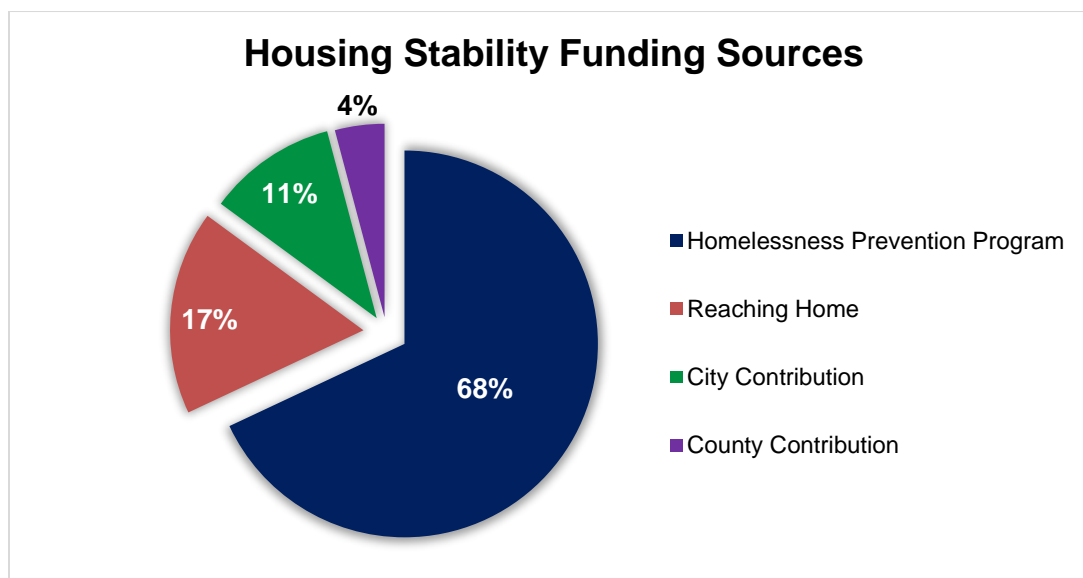
9. Analysis

The total homelessness budget managed by the City's Housing Stability Division is comprised of HPP provincial grant funding, RH federal grant funding, and the City-County cost shared contribution from the tax levy. City-County contributions offset costs throughout the homelessness portfolio.

Table 5 - Homelessness Services Budget

Funding Source	Funding Amount	Percentage of Budget
Homelessness Prevention Program Provincial Funding (2024-2025 planned allocation)	\$4,328,700	68%
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County Contribution (2024 budget)	\$263,137	4%
TOTAL	\$6,364,280	100%

Table 6 - Housing Stability Funding Sources



The 2023-24 HPP Investment Plan (IP) approved by way of [Report 2023-360 Homelessness Prevention Program 2023-24 Investment Plan](#) allocated \$4,166,700 (59%) of the total HPP allocation to the homelessness budget. Any

remaining HPP funding from the 2023-24 FY was exhausted as of March 31, 2024.

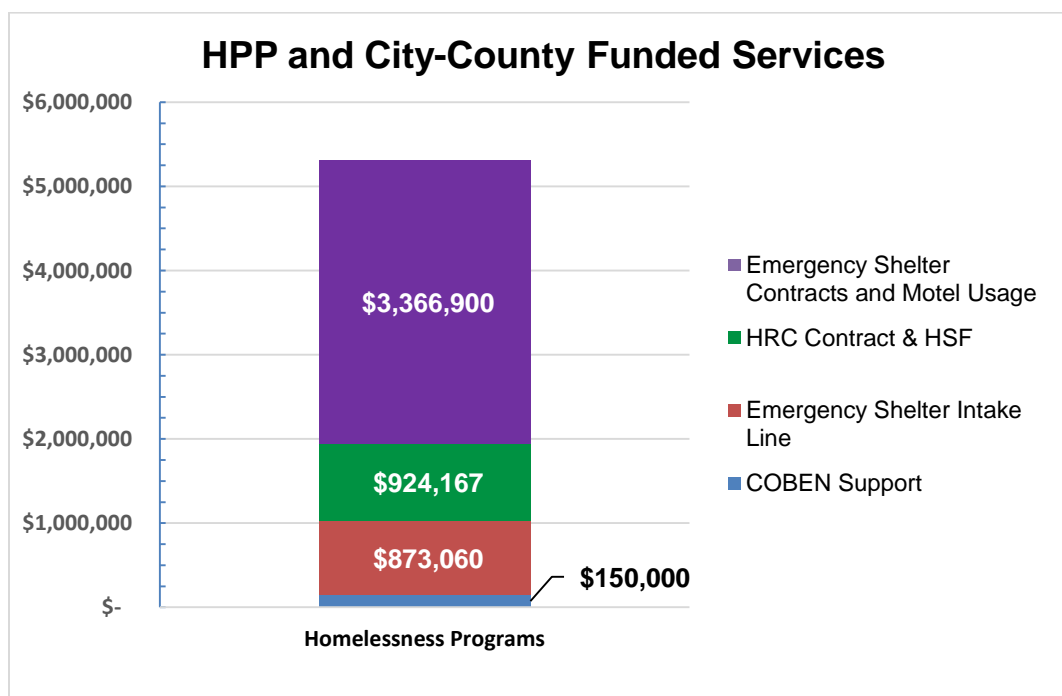
Staff are currently drafting the 2024-25 HPP IP which will recommend that 62% (\$4,328,700) of the total HPP funding received by the City is allocated to the Housing Stability Division and the homelessness budget. This funding can be used April 1, 2024 – March 31, 2025.

The planned 2024-25 FY allocation of HPP funding to the homelessness budget is \$4,328,700 which represents almost 70% of the homelessness budget.

HPP funding, combined with the City and County 2024 allocation of \$949,953 support multiple contracts and projects in Housing Stability including:

- Emergency Shelter Intake Line contract with SOAR Community Services;
- Emergency Shelter System contracts with shelter providers and costs of additional shelter supports through motels;
- Housing Resource Centre contract with SOAR Community Services including Housing Stability Fund (administered by the HRC); and
- Encampment costs (other than staffing) associated with the City of Brantford Encampment Network pilot program.

Table 7 - HPP and City-County Funded Services



The 2023-24 Reaching Home Investment Plan (IP) approved by way of Report [2023-330 Reaching Home Update Report](#) allocated \$1,136,308 in Reaching Home federal grant funding to various homelessness projects. Any remaining RH funding from the 2023-24 FY was exhausted as of March 31, 2024.

Under the Reaching Home program, the City received one-time top up funding of \$378,799 in December 2023. Infrastructure Canada made available one-time top-up funding to respond to the increased demand for services and supports during winter 2023-24. This funding was fully used to offset the financial costs of motels during the winter months⁴.

Staff are currently drafting the 2024-25 RH IP which will recommend the full allocation of the total RH funding received by the City to various homelessness programs and initiatives. Reaching Home funding can be used April 1, 2024 – March 31, 2025.

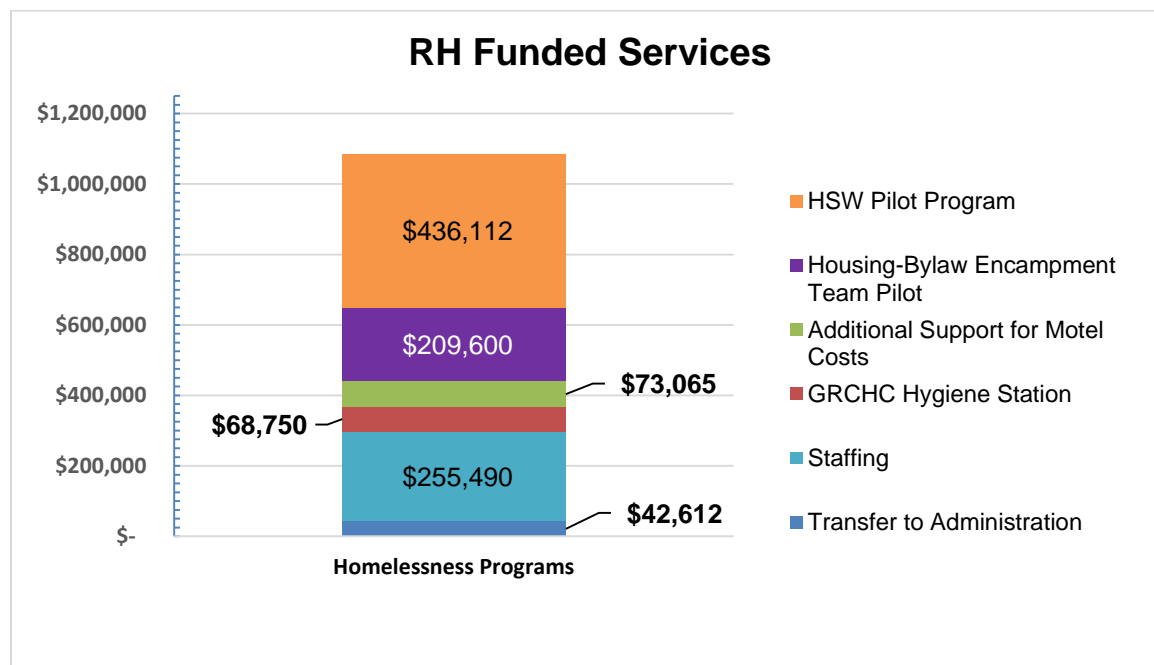
The planned 2024-25 FY allocation of RH funding to the homelessness budget is \$1,136,308 which represents 17% of the total homelessness budget.

Federal Reaching Home funding is used to offset the following costs:

- Housing Stability Worker Pilot Program;
- City of Brantford Encampment Network Pilot Program;
- Grand River Community Health Centre Hygiene Station;
- Use of Motels as part of the emergency sheltering system; and
- 2x FTE staffing positions in Housing Stability.

⁴ Motels are used as an extension of the emergency sheltering system for individuals and households who cannot be accommodated at an emergency shelter.

Table 8 - RH Funded Services



10. Financial Implications

There are no direct financial implications with this report.

Despite staff efforts to increase available emergency shelter bed capacity, and enhance diversion efforts prior to shelter placement, there continues to be a rise in motel usage^{5,6}. Consequently, there is a substantial financial impact to sustain these stays and staff are currently projecting an expected deficit in 2024 if current trends continue.

Staff will be monitoring use of motels closely and will be working towards a balanced budget in 2024.

⁵ The majority of households placed in motels are families, couples, individuals with physical and/or mental health concerns that would preclude them from a successful emergency shelter stay, individuals with pets, male-led families, or Indigenous clients who do not feel safe accessing emergency shelter services. This approach ensures that all households are offered an appropriate and safe emergency sheltering option.

⁶ When placed in a motel, clients are required to actively work towards housing goals with staff from the provider that placed them, such as the Housing Resource Center or the Encampment Team. This requirement ensures that the duration of a motel stay is not any longer than necessary.

As part of forward planning for funding reductions, and as directed by Report 2024-127, staff will be including the staffing costs of \$209,600 for two (2) Full Time Equivalent (FTE) Community Initiative Coordinator positions (currently funded through Reaching Home) in the 2025 Shared Services Budget as a strategic budget investment for consideration by Social Services Committee.

11. Climate and Environmental Implications

There are no direct climate and environmental implications as a result of this report.

12. Conclusion

The City of Brantford as the designated Service Manager for Housing and Homelessness for the City of Brantford and the County of Brant is responsible for the administration and oversight of the homelessness budget. This budget receives revenue from the County and City as per the Shared Social Services Agreement and grant funding from provincial and federal sources.

County and City budgets are approved annually on a calendar basis while provincial and federal grant funding is allocated by Fiscal Year.

The City of Brantford as the Service Manager is responsible for system oversight. The homelessness budget supports core housing stability services including the emergency sheltering system (intake, emergency shelters and motels, and system oversight), the Housing-Bylaw encampment response team, the Housing Stability Worker program, the Housing Resource Centre, and the Housing Stability Fund. Homelessness funding also supports staffing and administrative resources necessary for continuous improvement and quality control including standardizing policies and processes; improving communication and effectiveness across the entire homelessness system with all service delivery partners; focusing collaborative efforts to support homeless clients who have more complex needs; and seeking opportunities for cross-sector collaboration and problem solving.

These programs and services provide the foundation of support for local homelessness response.



Brian Hutchings
Chief Administrative Officer

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Attachments (if applicable)

N/A

Copy to: N/A

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required ☐ yes ☒ no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk ☐ yes ☒ no

Is the necessary by-law or agreement being sent concurrently to Council? ☐ yes ☒ no